

11/7/77 [2]

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WITHDRAWAL SHEET (PRESIDENTIAL LIBRARIES)

FORM OF DOCUMENT	CORRESPONDENTS OR TITLE	DATE	RESTRICTION
MEMO w/ att.	From Brzezinski to The President (2 pp.) re: Tin-For -Copper Barter in GSA Stockpile <i>opened per RAC NLC-126-9-33-2-4/NLC-126-9-33-1-5, 3/12/13</i>	10/15/77	A
memo	From Schultze, Eizenstat to The President (4 pp.) Copper Industry Policy <i>opened per RAC NLC-126-9-33-1-5, 3/12/13</i>	11/4/77	A
memo	From Strauss to The President (2 pp.) re: Tin-For -Copper Barter in GSA Stockpile	10/20/77	A
memo w/att.	From Andrus to Hutcheson (1 page) re: Tin-For -Copper Barter in GSA Stockpile <i>opened per RAC NLC 126-9-33-2-4, 3/12/13</i>		A
memo	From Carswell to Hutcheson (1 pp.) re: Tin-For-Copper Barter in GSA Stockpile	10/21/77	A
	NOTE: the five documents listed above are enclosed in Hutcheson to Brzezinski, Schultze and Eizenstat 11/7/77		
memo	From Young to The President (1 page) re: U.S. Mission to the U.N. Activities/enclosed in Hutcheson to Cabinet members 11/7/77 <i>opened 6/1/92</i>	11/4/77	A
memo	From Eizenstat to The President (2 pp.) re: Return of the Crown of St. Stephen <i>opened per RAC, 3/12/13</i>	11/7/77	A
memo w/ att.	From Brzezinski to The President (5 pp.) re: Meeting With Golda Meir <i>opened 6/1/92</i>	11/7/77	A

FILE LOCATION

Carter Presidential Papers- Staff Offices, Office of the Staff Sec.- Pres. Hand-writing File 11/7/77 [2] BOX 58

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EYES ONLY - CONFIDENTIAL ATTACHMENT

THE WHITE HOUSE
WASHINGTON

November 7, 1977

Midge Costanza
Stu Eizenstat
Hamilton Jordan
Bob Lipshutz
Frank Moore
Jody Powell
Jack Watson
Hugh Carter

RE: Cabinet Summaries

The attached were returned in the
President's outbox and are forwarded
to you for your personal information.

Rick Hutcheson

Attachment:

Interior, Commerce, Labor,
HEW, HUD, UN, Justice, STR,
EPA, GSA, Agriculture, Treasury, CEA,
Transportation,



THE SECRETARY OF THE INTERIOR
WASHINGTON

November 4, 1977

C
/

MEMORANDUM TO THE PRESIDENT

From: Secretary of the Interior

Subject: Major Topics for the Week of October 31

Energy speeches given by myself and the Under Secretary: National Water Resources Association, State Chamber of Commerce, Rotary, National Conference of Black Mayors, Connecticut NAACP Convention and Public Broadcasting Service news panel.

For your information, I point out that the American Petroleum Institute rejected my request to appear on their program. In essence, they said that you have already told them how you feel about the industry.

All oil and gas companies have been advised to accelerate well maintenance on the public domain so as to maximize production this winter. We are moving against Texaco to increase their production from Tiger Shoals or lose their lease.

If you can point out, at a convenient time, that the OCS Bill is part of our energy program, it would help spur the Rules Committee.

There are some in the White House that want you to make comments on the "160 acre excess lands" problem. I advise against that. Let me continue to take the heat and you announce the solution after the first of the year.


CECIL D. ANDRUS

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THE WHITE HOUSE
WASHINGTON

November 7, 1977

Administrator Solomon

The attached was returned in
the President's outbox. It is
forwarded to you for appropriate
handling.

Rick Hutcheson

LAWRENCE BERKELY LABORATORY COMPU-
TER FACILITY
NEW DIRECTOR OF THE FEDERAL
PREPAREDNESS AGENCY



United States of America
General Services Administration
Washington, D.C. 20405

9

Administrator

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encl
November 4, 1977

RL
MEMORANDUM TO THE PRESIDENT

SUBJECT: Weekly Report of GSA Activities

Richard B. Russell Federal Building - Atlanta, Georgia

Progress payments on the Richard B. Russell Building, a \$48 million project scheduled for completion next year, were suspended in August by GSA because of failure of the prime contractor, Frank Briscoe Co., Inc., to provide scheduling information required under the contract. While work on the project has continued, withholding of funds created financial difficulties for subcontractors and generated considerable Congressional interest. Yesterday, November 3, the necessary scheduling information and the schedule were accepted, and progress payments were made to Briscoe in the amount of just over \$7 million. Interested members of the Georgia delegation have been informed of the resolution of the dispute.

Designation of Lawrence Berkeley Laboratory Computer Facility As A
Federal Scientific Data Processing Center

One of the most significant ways in which GSA reduces the cost of Government operations is through the sharing of computer facilities by agencies. Each agency request for new computing capability is examined to determine if there are existing computing facilities in other agencies which can satisfy that agency's requirements. In 1977 the cost avoidance to the Federal Government achieved through the sharing program is estimated to be \$290.2 million. A facility which has contributed significantly to this achievement for a number of years is the Lawrence Berkeley Laboratory which is operated as a Government-owned contractor-operated (GOCO) facility by the University of California at Berkeley for the Department of Energy (ERDA). GAO has recommended that the Lawrence Berkeley Laboratory computer facility be designated as a Federal Scientific Data Processing Center and has estimated that a savings of \$18.2 million annually is possible as a result.

This proposal has met with resistance from the Laboratory. At the present time they do not operate on a full cost recovery basis. Consequently, if they become an FDPC, the charges to their own research departments and to outside users would immediately increase without any change in services provided. Full cost recovery charges, however, would still be one-third that of commercial rates. Paradoxically, as outside users have moved to acquire their own computing capability, the sharing of LBL's facilities has begun to drop off and the rates charged by LBL have had to be increased

recently to recover their costs. The outstanding capabilities of the Lawrence Berkely Laboratory computer facility must be made available to the Federal community as a Federal Scientific Data Processing Center. The problem faced by GSA is to accomplish this objective in a way that is attractive to the Lawrence Berkeley Laboratory and enlists their full cooperation in this endeavor.

*Keep
trying*

New Director of the Federal Preparedness Agency

I am pleased to be able to tell you that Joe Mitchell accepted the position of Director, Federal Preparedness Agency. Joe began here last Monday, October 31. I am looking forward to working with him.

*He's
good*

Dedication Ceremony - Hubert H. Humphrey Building

On Tuesday, November 1, GSA dedicated the HEW South Portal Building to Senator Hubert Humphrey. The ceremony was attended by a number of Senators, Congressmen and Cabinet members, as well as an enormous crowd of citizens who wished to join in this tribute to Senator Humphrey. We subsequently received a letter from Congressman Beard complimenting us on the ceremony, and I've attached a copy for your information.

Recent Speeches and Public Appearances

I was recently invited by Punch Sulzberger to appear before the New York Times Editorial Board. We had a two and one half hour meeting which will be followed up by several interviews with a reporter from the Washington Bureau of the Times.

I spoke to the National Workshop for the Blind from whom we purchased \$35 million worth of supplies last year. We hope to increase this by 10% this year.

I visited Citibank and J.C. Penney this week to solicit help on the reorganization study. I intend to tap all of my business contacts for help in this area, as I think there is a great deal of expertise out there from which the Government can benefit.

for Robert T. Hoffman
JAY SOLOMON
Administrator

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HOUSE OF REPRESENTATIVES
WASHINGTON, D. C. 20515

EDWARD P. BEARD
2ND DISTRICT, RHODE ISLAND

November 1, 1977

Mr. Jay Solomon
Administrator
General Services Administration
18th and F Streets, N.W.
Washington, D.C. 20405

Dear Jay:

I want to personally communicate my thanks to you for the wonderful way in which you and your staff received the dignitaries in attendance at the dedication of the HEW Building to a great American, Hubert Horatio Humphrey.

I was particularly impressed by the wonderful work done by Paul Goulding in overseeing the entire administrative operation and in paying special attention to the needs of the Members of Congress. Your agency was most impressive in consummating all the arrangements relevant to the ceremony.

With best wishes, I am

Sincerely,

A handwritten signature in dark ink, appearing to read "Edward P. Beard", is written over the typed name.

Edward P. Beard
Member of Congress

THE WHITE HOUSE
WASHINGTON

November 7, 1977

Secretary Kreps

- The attached was returned in the President's outbox. It is forwarded to you for appropriate handling.

Rick Hutcheson

CONGRESSIONAL HEARINGS ON ANTI-
BOYCOTT REGULATIONS

THE SECRETARY OF COMMERCE
WASHINGTON, D.C. 20230

cc Juanita
J

November 4, 1977

"FYI"

REPORT TO THE PRESIDENT:

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This Week:

Court Challenges to Minority Provisions of the LPW Program

To date, six suits have been filed against the Department of Commerce challenging the constitutionality of the Local Public Works (LPW) Act provision which requires that 10% of the contracting be awarded to minority firms. In general, the suits have been brought by local affiliates of contractor associations and local contractors. In two cases, the Court has denied requests for preliminary injunctions; in three cases, there have been no decisions.

However, on October 31, the U.S. District Court Judge in Los Angeles orally declared the 10% minority contractor provision unconstitutional and entered a permanent prospective injunction against the Department. This decision has no direct effect on the implementation of Round II of the LPW Program, since the Court's injunction applied only to future grants to the City and County of Los Angeles. There is the possibility that this injunction will provide some incentive or precedent for other actions seeking to enjoin LPW Round II contract awards by local grantees and the Department's enforcement of the 10% provision.

Congressional Hearings on Anti-Boycott Regulations

On October 25 and November 1, the House Subcommittee on Commerce, Consumer and Monetary Affairs, chaired by Congressman Rosenthal, held hearings on the Department's proposed anti-boycott regulations. Subcommittee members charged that the U.S. Government's freedom of action to make adjustments in the proposed regulations has been limited as a result of last month's Middle East briefing trip by a Commerce-State-Treasury delegation. Notwithstanding the approximately 1,600 pages of public comments which we made available, the Subcommittee requested copies of additional documents relating to the regulations, to include inter-agency memoranda, confidential comments submitted by foreign governments, and notes of meetings with foreign government officials. Because this request potentially raises the issue of privileged documents, we are coordinating our response to the Subcommittee with the State Department, Stu Eizenstat and Bob Lipschutz.

Do not
violate
Executive
privilege

Patent Cooperation Treaty

Last week, a new multilateral Patent Cooperation Treaty was brought into force with its ratification by Great Britain, the fourth nation to sign. This is the most important treaty on patents that the U.S. has joined in nearly 100 years. The treaty will make it easier for American business to obtain patent protection in foreign countries. Over the long term, this should help our balance of payments by increasing income from licensing of technology and sale of technology-intensive products abroad.

Renewal of International Multifiber Arrangement (MFA) Jeopardized

The current bilateral textile negotiations being conducted by the European Community with some 20 textile exporting countries are jeopardizing arrangements made this summer in Geneva to extend the MFA. Without this extension, the U.S. would have no legal authority to take unilateral action against disruptive imports of textiles and apparels. This, in turn, would provide an impetus to protectionist forces and could adversely effect the success of the current Multilateral Trade Negotiations (MTN). Commerce, STR and other involved U.S. agencies will make strong representations to the European Community during next week's consultations on the MTN.

Next Week:

Visit to Rochester

Next week I will visit Rochester on the first in a series of trips aimed at taking Washington to the people. In conversations with city officials and representatives from the business community, I will be soliciting recommendations on how to improve services of this Department, especially in the areas of economic development, minority business enterprise, and American export expansion programs. The City Government of Rochester has been particularly effective in stimulating new commercial construction in its central business district by working closely with the private sector. I am hopeful that we can effectively use their example as part of this Administration's urban revitalization initiatives to encourage permanent jobs in the private sector.


Juanita M. Kreps

U. S. DEPARTMENT OF LABOR
OFFICE OF THE SECRETARY
WASHINGTON

"FYI"

cc Frank
& Stan
J

November 4, 1977

MEMORANDUM FOR THE PRESIDENT

FROM: SECRETARY OF LABOR, Ray Marshall *RM*

Subject: Major Departmental Activities, October 29-November 4

INTERNATIONAL LONGSHOREMEN STRIKE

Over the past week, informal discussions have continued between Teddy Gleason, President of the ILA, and the New York Shipping Association. Negotiations have also been conducted with some success on a port-by-port basis. Late this week, however, Gleason requested all ports to put a hold on negotiations. It is unclear why this was done. This weekend should provide a clear indication of the prospects for a settlement in the near future.

If no progress is made, it is my intent to announce on Monday or later in the week with Wayne Horvitz, Director of the Federal Mediation and Conciliation Service, the creation of a special fact finding panel. This panel would be established outside of the Taft-Hartley machinery and would serve the purpose of placing additional pressure on the parties to reach an agreement. The advantage of using this approach is that it will differ from what is expected and it will be consistent with the Administration's policy of non-intervention. Only if we can take novel approaches to collective bargaining problems will we be able to avoid having the parties in a dispute predict our actions and then factor this into their bargaining.

As the economic impact in Puerto Rico continues to be a serious problem, later this afternoon I will be discussing possible solutions.

ENERGY

On November 7 I will be interviewed on NBC's Today show. Like my recent appearance on ABC's Good Morning America, I will use this as a forum to discuss the Administration's energy. Today (November 4) I had lunch with a group of editorial writers from

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the Washington Post. I used this as an opportunity to talk about the relationship between energy and unemployment. The Post writers were impressed by an ERDA (Energy Research and Development Administration) study that I emphasized which indicated that we lose a potential job for every barrel of foreign oil that we import. In addition, I have been stressing energy in all my public appearances. This week I discussed the energy bill with a group of Ford Motor Company executives and a group of business leaders assembled under the auspices of the Democratic National Committee.

WELFARE REFORM

Over the past several weeks in my discussions with union leaders, mayors and governors, a serious concern has been raised over the welfare reform timetable. They think that the rapid timetable for markup of the welfare reform bill is building avoidable opposition to the jobs component. Most feel that an acceptable compromise with their concerns can be developed, but that such a compromise cannot be reached until more pressing concerns are addressed. Specifically, they think that the jobs component cannot be considered without knowing the Administration's decisions on the countercyclical employment component of CETA, the jobs component of the Administration's urban policy and economic stimulus decisions for both fiscal years 1978 and 1979. Given the current state of the economy and of urban area finances in particular, these groups cannot support a proposal which appears to replace prevailing wage civil service jobs by minimum wage jobs for less skilled workers. The markup of the welfare reform legislation in the Corman welfare committee is scheduled to begin on November 28. Since under current plans, urban policy and CETA decisions will probably not be made public before the January budget message, I feel that at least labor will be forced to oppose the welfare reform legislation if the current timetable is not modified. Accordingly, I would suggest either that we greatly accelerate decision making on the stimulus package, urban policy and CETA programs or that we urge Chairman Corman to delay consideration of the jobs component of the bill until these related concerns have been addressed.

*Frank
&
Stu
Comment*

ANTI INFLATION POLICY

Monday of this week, I met with Charlie Schultze to discuss anti-inflation policy. I hope that we can develop some joint proposals for your consideration. One concern I continue to have is that without a mechanism in the government to develop and implement

specific policies, it will be difficult to make any concrete progress. As I mentioned in my earlier memorandum to you on inflation, the government's current structure leaves only the President specifically responsible for inflation. The question of structure and responsibility is one I hope we could resolve quickly.



THE SECRETARY OF HEALTH, EDUCATION, AND WELFARE
WASHINGTON, D. C. 20201

cc/Ham
J

November 4, 1977

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Weekly Report on HEW Activities

The following is my weekly report on significant activities in the Department of Health, Education, and Welfare:

- Appropriations. With the House vote rejecting the compromise appropriations language on abortion, we now face another continuing resolution extending the FY 77 appropriation for one month. The Senate may hold up passage of such a resolution out of pique at the House.
- Young Speech. On Monday, Andrew Young will be the second speaker in the Arthur Flemming-Wilbur Cohen lecture series (the Vice President was the first).
- Unnecessary Surgery. As was widely reported in the press, Hale Champion testified before John Moss' Oversight and Investigations Commerce Subcommittee that the Department will remove all regulatory barriers and pay for patient-elected second opinions before surgery in the Medicare program. We will also ask States which have not done so to implement as quickly as possible active second opinion programs for Medicaid. There is no question that there is too much surgery -- at unnecessary cost -- across the nation.
- Cost Containment. Following a request by Dan Rostenkowski, the American Hospital Association, the American Medical Association and the Federation of American Hospitals have announced that they are setting up a committee to develop a system of voluntary hospital cost restraints. I have issued a statement pointing out that, until you proposed legislation, the Hospital industry resisted even voluntary restraints and noting that such restraints simply will not work.
- Paperwork Reduction. You might be interested to know how the total paperwork reduction effort in the Department has fared. As of January 31, 1977, the burden was 44.5 million hours; as of September 30, 1977, it was 34.3 million hours, a total reduction of 10.2 million hours (23%). Although these figures have not yet been firmly checked for publication, they are close to final.

- 2 -

As you know, this more than meets your promise to reduce by 7 million hours the paperwork burden throughout the Federal government.

- Energy. In addition to the energy inserts in the speeches of Departmental officials, there are several new developments on the energy front. On November 15, the Office of Education will open an Energy Action Office to educate the public on the energy problem and answer questions. Commissioner Boyer has taped radio spots that will be aired over a large number of stations through public service announcements sponsored by the Department. The Department will soon announce the results of study that details the extensive use of natural gas by hospital. Besides documenting the reliance of hospitals on natural gas (more than 70 percent use natural gas and more than 30 have no alternative source of energy), the study will set out the conservation measures that can be taken. (For additional information, see attachment.)
- National Health Insurance. I am scheduled to give an initial briefing next Wednesday. No issues are ripe for decision, but any thoughts you have on a range of issues I have outlined in a separate memorandum will help guide us as we tackle this complex problem.
- Clearance Delays. It takes several months to get White House clearance for your appointments to advisory councils.

The Board of Regents of the National Library of Medicine, for which I sent you ten nominees in early March, is now unable to meet for lack of a quorum. The five-month delay in sending the slate for the Museum Services Board to the Hill evoked the wrath of John Brademas. Seven nominations for your Committee on Mental Retardation have been pending since mid-July.

Delays in approving these advisory councils can cause nettlesome political and substantive problems. We have cut back substantially on the Department's advisory councils, and those that remain generally perform important functions. For example, quick clearance and approval of the National Council of Educational Research (the terms of its members expired on September 30th and nominees were sent to the White House shortly thereafter) is an important step in this Administration's efforts to gain more complete control of the National Institute of Education.


Joseph A. Califano, Jr.

Attachment

November 4, 1977

APPENDIX TO WEEKLY REPORT

In a memorandum of October 27, 1977, HEW reported to Jack Watson's office on the Department's response to your request for support of the Administration's energy legislation. Since that time, the following additional activities have taken place or have been planned:

Speeches

Shanahan (Assistant Secretary for Public Affairs)

10/21 Conference on Media and the
Administrator, Chapel Hill,
North Carolina

Eidenberg (Deputy Under Secretary - Inter-Governmental
Affairs)

11/1 Iowa Human Resources Association
Des Moines, Iowa

11/1 Chamber of Commerce
Council Bluffs, Iowa

Boyer (Commissioner, Office of Education)

11/8 National Indian Education Association
St. Paul, Minnesota

11/10 American Vocational Association
Washington, D.C.

Wortman (Deputy Commissioner, Social Security
Administration)

10/29 Head Start Conference
Oklahoma City, Oklahoma

10/31 Press Conference
Dallas, Texas

11/8 Virginia League of Social Service
Executives, Richmond, Virginia

November 4, 1977
Appendix to Weekly Report

Goodman (Acting Deputy Assistant Secretary for Public
Affairs)

11/9 Los Angeles County Principals
Association, Los Angeles, California

Energy Alerts

The Office of Human Development Services has put out two special alerts concerning energy. The Administration on Aging sent one alert to a network of state and local agencies on aging; the Public Services Administration sent the other to state welfare associations.

~~CONFIDENTIAL~~

TO: President Carter
THROUGH: Rick Hutcheson, Staff Secretary
FROM: USUN - Ambassador Young
SUBJECT: U. S. Mission to the United Nations Activities, October 27 - November 4

November 4, 1977

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1. SECURITY COUNCIL: SOUTH AFRICA DEBATE

After the veto on October 31 of three of the four African draft resolutions and the tabling of the Western Five draft, the Council on November 3 reached agreement on a compromise resolution substantively like the Western text, with a few cosmetic changes. This resolution which was approved by the Council on November 4, calls for a mandatory arms embargo, a review of licensing and contractual arrangements and a ban on cooperation in the development of nuclear weapons.

2. EGYPTIAN RESOLUTION ON ISRAELI SETTLEMENTS

The vote late on October 28 was 131 in favor, 1 (Israel) against, and 7 (including US) abstentions. Arab reactions were sharply critical of the US abstention.

3. SAFETY OF CIVIL AVIATION RESOLUTION (ANTI-HIJACKING)

The Special Political Committee and the Plenary passed by consensus the draft resolution. Several undesirable Arab amendments alluded to national sovereignty and past U.N. declarations and resolutions, but did not affect the main operative elements. In a number of respects this condemnation of hijacking was a significant and surprising achievement.

4. NAMIBIA

The Western Five Contact Group has agreed to abstain as a group on five of the eight proposed resolutions with explanation that they directly involve the substance of our ongoing negotiations. On the remaining three, the five powers will decide individually how they will vote.

5. HUMAN RIGHTS

The initiative for a High Commissioner for Human Rights has begun to gain momentum; the cosponsors of the resolution have decided to table it during this General Assembly and feel that it has a 50-50 chance of passing. Although the U.S. has withdrawn its resolution on torture, there are three resolutions on that subject before the Third Committee, and it appears they might all pass.

6. AMB. YOUNG'S OTHER MEETINGS: Dr. Saouma, Director General of the Food and Agriculture Organizations (10/27); Ambassador Adan (Somalia) (10/28); George Shultz, President, Bechtel Corporation (11/2); U.N. High Commissioner for Refugees, Sadruddin Aga Khan (11/2); Dr. Eklund, Director General of the International Atomic Energy Agency (11/2); Moroccan Foreign Minister Boucetta (11/2). PRESS: Issues and Answers (10/29). SPEAKING ENGAGEMENTS: Jamaica Educational and Cultural Institute (10/27); World Jewish Conference, Wash., DC (11/1); Legal Defense Fund, Philadelphia, Pa. (11/3). ENERGY STATEMENTS: Bright Hope Church, Philadelphia (10/30) (No Press Reports available).

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E.O. 12958 Sec 2.4
4/1/92 Stk H. RE MR-NLC-41-90
BY *[Signature]* NARS DATE 5/11/92



THE SECRETARY OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, D. C. 20410

November 4, 1977

MEMORANDUM FOR: The President
Attention: Rick Hutcheson, Staff Secretary

SUBJECT: Weekly Report of Major Departmental Activities

The following are brief descriptions of significant activities at the Department of Housing and Urban Development.

HUD Officials Support Energy Legislation. All speeches made by HUD staff, including our Regional Administrators, have included material supporting this Administration's energy program. In a November 2 luncheon address at the National Press Club, I emphasized my concern about the impact of energy costs on renters and homeowners and how such costs affect their ability to obtain and maintain decent and affordable housing. In a Michigan City, Indiana speech, I warned that if the Administration's energy program is not adopted in a form substantially as proposed, an energy crisis could occur in the near future. My remarks at today's ground breaking ceremony in Newark, New Jersey also will emphasize the importance of the energy legislation. Under Secretary Janis told a Boston audience that the President's energy program would be a boon to homeowners.

A listing of speeches and public appearances by Headquarters staff, and press clippings on the speeches, are attached.

FHA Loans to be Available for Solar Systems. Insured loans are now available to purchase and install energy-saving solar systems and equipment for existing homes. Owners of single-family homes may obtain insured home improvement loans in amounts up to \$15,000 for 15 years at an interest rate of no more than 12 percent. The program is designed to support the Administration's energy program by providing a financing vehicle to support the installation of solar systems which meet HUD minimum standards.

Energy Information Task Force. The Department's Task Force has prepared Energy Information Packets containing free HUD literature on energy conservation. The packets provide public information about energy conservation in the home and will be available for distribution on December 1. We expect to mail some 150,000 packets, which include a letter from the Secretary, the HUD booklet "In the Bank or Up the Chimney," and other materials, to HUD mortgagees, financial institutions, radio and television

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stations, HUD field offices, and other groups. We also are exploring the possibility of including a fact sheet on provisions of the energy bill relating to homes if the timing is right. Television and radio advertisements to promote the campaign will begin at the same time.

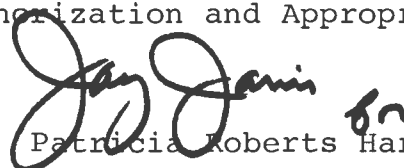
HUD Exceeds Assisted Housing Goals. On Thursday I announced that the Department had exceeded its 1977 budget estimates of unit reservations for both Section 8 and public housing. Our official year-end report for the 12-month period which ended on September 30 includes reservations totaling 330,977 Section 8 units and 57,436 public housing units. The combined figure was 18,413 units over the target we established for the year.

More importantly, construction starts under these programs totaled in excess of 114,000 units, twice the number of starts during Fiscal Year 1976 and some 24,000 units above our goal. My announcement on construction starts emphasized that these figures were achieved without any sacrifice in construction quality.

Flood Insurance Program to Have New Fiscal Agent. On November 2, I informed Congress that the National Flood Insurance Program would be assisted materially by the Federal Government's assumption of the operational responsibility for flood insurance. This is the final step necessary to replace the National Flood Insurers Association, which has been responsible for all servicing of flood insurance policies, but terminated their contract because they were not willing to meet HUD's terms for continued program responsibilities.

Negotiations will begin immediately with a replacement fiscal agent, EDS Corporation of Dallas, Texas, the low bidder in response to our request for proposals. Replacement of the National Flood Insurers Association by EDS is estimated to save approximately \$14 million of government funds in 1978 and is expected to reduce actuarial rates by approximately 12 percent, a \$1 million saving for flood insurance policyholders.

Although we expect Congressional opposition to this move, we have sought and secured the support of Subcommittee Chairmen of the Department's Authorization and Appropriations Committees.


Patricia Roberts Harris

Attachments



Office of the Attorney General

Washington, D. C. 20530

November 4, 1977

C
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Re: Principal Activities of the Department of Justice
for the Week of October 31 through November 4

1. Meetings and Events

The Attorney General hosted a lunch Monday at the Department for Dr. Hans Vogel, the Minister of Justice of the Republic of Germany. Judge Bell attended the dedication of the HEW building named for Senator Humphrey. On Friday, he delivered the Cecil Sims Memorial Lecture at Vanderbilt University.

2. International Antitrust

Representatives of the antitrust section of the Department met this week with a high-level official British delegation to discuss extraterritorial enforcement of American antitrust laws.

3. Organized Crime

o Four persons have been arrested in San Jose, California for murder. The father of the murder victim, who was also shot in the head, survived the shooting and has been cooperating with the San Francisco Strike Force to implicate the four individuals, who are suspected organized crime figures, and to provide the Strike Force with other information about organized crime activities in California. The father is now receiving government protection. The case has not yet gone to trial.

o On Friday, October 21, 1977, Jessie De Jesus was sentenced to 30 years in prison, a \$50,000 fine, and a six-year special parole term. Mr. De Jesus was the head of a major heroin distribution network which operated in New York, Chicago, and Puerto Rico and which often conducted 10 to 80 pound heroin transactions.

4. Alien Smuggler

A notorious alien smuggler, Rodolfo Alvarado-Alvarado, headed a ring based in Nuevo Laredo, Mexico which specialized in moving Mexican and non-Mexican aliens to Houston and Chicago.

Following the arrest of 65 smuggled aliens, including 11 El Salvadorans, in a U-Haul rental truck by Border Patrol Agents near Laredo, Texas, San Antonio investigators identified Alvarado as the ring leader. On September 14, 1977, a warrant of arrest was issued at Laredo and on September 28, 1977, the United States Marshal arrested Alvarado in Houston. He is being sent from there to Laredo where he will stand trial.

5. INS-CETA Agreement

Immigration and Naturalization Service has signed a letter of agreement with the Department of Labor where CETA participants assigned from city and state programs may be used in I&NS offices to help eliminate the backlog. As of October 31, CETA workers were on duty in the Southern Region.

6. Korean Influence Case

As the President is aware, the Korean government has made a new proposal regarding the questioning of Tong Sun Park outside of the United States. The United States has responded it is willing to accept that proposal provided that Park and the Korean government also agree to Park's appearing in the U.S. as a witness at any later trials.

7. Criminal Code Recodification

The Senate Judiciary Committee voted out (14-2) the Criminal Code. The House will hold two weeks of committee briefings on the code in late November and early December.

8. Equal Rights Amendment

On November 1, 1977, Office of Legal Counsel Assistant Attorney General Harmon testified before the House Judiciary Committee on the legality of extending the ERA ratification period for an additional seven years. Mr. Harmon stated the view of his office that Congress has the power to extend the ratification period for the ERA by simple majority vote. It was also his opinion that such an extension would not give rise to any right of rescission by the states and, moreover, that Congress cannot give the states a right to rescind by any means short of amending Article V of the Constitution.

9. Concorde

The Land and Natural Resources Division has been informed that the Secretary of Transportation will be sued in New York over the Concorde in an action which will parallel the Fairfax County suit pending in the District Court of the District of Columbia. Since the complaint has not yet been served here or in New York the actual grounds of the suit are not known.

10. The Department's weekly report on appointments is attached.

THE SPECIAL REPRESENTATIVE FOR
TRADE NEGOTIATIONS
WASHINGTON

Electrostatic Copy Made
for Preservation Purposes

November 4, 1977

MEMORANDUM FOR THE PRESIDENT

From: Ambassador Robert S. Strauss

Subject: Weekly Summary

On the trade front, we are expecting Vice Chairman Haferkamp and Commissioner Davignon of the EC Commission next week. Steel is Davignon's responsibility and I hope we will make some overall progress, specifically with respect to the world steel problem.

The Japanese have sent word that they would like me to come over and pick up some trade concessions. We have determined with absolute certainty that what the Japanese have in mind is exceedingly modest. In my judgement, this could represent an embarrassment to the Administration if we acquiesced. I sent word back through Mike Mansfield that they are talking about a teaspoonful of medicine and we want to talk about a full bottle of relief on the whole economic front -- not just a few bales of hand-thrown silk, and so forth. I feel confident that I am on the right track and have in mind Deputy Ambassador Wolff, together with representatives of State, Treasury, Commerce and Agriculture going to Japan for preliminary negotiations before the end of the year on a broad range of subjects and my concluding the negotiations if they make sufficient progress to warrant the trip.

Russell Long called me very early yesterday morning and we talked for an hour and I am anxious to share that conversation with you when you get a breathing spell.

With respect to energy, Bert and I had a long conversation this morning returning from Hamilton's Roast and we share a common view that your energy message must tie energy to bread and butter economics and must lay the groundwork for the bad "aftertaste" that will be in people's minds next year when they realize that our energy program is not going to immediately solve the problem and reduce the direct price of energy. I would hope the speech could be so prepared as to make this subject understandable to the average American in terms of its direct impact on each household and pointing

out the alternatives. It seems to me, the more successful we are in getting your program, the more political scars we will begin taking this time next year when the various constituencies -- industry, consumers, agriculture, etc., start putting the blame for higher prices on the White House. The record must be made now that prices will be rising in any event. What is important, is what America gets for the additional cost: on the one hand, inflation, unemployment, and economic chaos; on the other hand, an eventual ability for self-dependence, jobs, and a successful fight against inflation.

I had the high honor and great pleasure of representing the Administration's point of view in Texas night before last on a program with three pro-industry people before an audience of about 4,000 at SMU that others had enough sense to refuse. I would grade my performance as having captured no minds, but winning some hearts -- losing my rear but saving my life!!!!



United States
Environmental Protection Agency
Washington, D.C. 20460

C

The Administrator

November 4, 1977

WEEKLY REPORT TO THE PRESIDENT

FROM: Douglas M. Costle

CLEAN USE OF COAL: EPA began this week a one year demonstration test of a sulfur dioxide scrubber that may be more economic than the current generation of scrubbers. This new type, being tested on a 115 megawatt coal-fired boiler of the Northern Indiana Public Service Company's Dean Mitchell Station in Gary, will produce a marketable byproduct of high-quality sulfur. Unlike scrubbers in current use, this one will not generate large amounts of waste sludge; in fact, early results indicate that the sulfur produced is so pure that it may be sold for pharmaceutical as well as industrial purposes.

The early tests on this system look promising; it removes a very high degree (91 percent) of sulfur dioxide, at lower operating costs for energy and materials than had been expected. Revenues from the sale of the recovered sulfur will further offset operating costs. Because we believe that, for the next ten years at least, scrubbers will be the best available mass-market technology for controlling sulfur dioxide pollution from coal use, this system is important from both an energy and environmental standpoint. It may provide us with much more flexibility to use eastern and midwestern coals that have higher sulfur contents; this would preserve existing coal-mining jobs--in Appalachia, for instance--and cut down on the cost of transporting western coal east of the Mississippi.

WATER POLLUTION CONTROL AMENDMENTS: The House and Senate conferees plan to meet next Tuesday, Wednesday, and Thursday to iron out their differences. If they do not reach agreement at that time, it seems highly likely that there will be no water legislation enacted during this session. Major points of disagreement continue to be:

- extending the 1983 deadline for achieving "best available technology," at least for certain industries, and deciding which industries should be allowed this relief;
- curtailing the Section 404 permit program for protecting wetlands;
- providing for a two-house Congressional veto of regulations issued by EPA pursuant to the Act; and
- giving the President authority to extend the July 1977 deadline for achieving "best practicable technology" for any industry when he deems it to be "in the national interest." (This is aimed at providing relief for the steel industry, which--as you know--has largely not complied with the law; most steel facilities missed the deadline last July.)

PROGRESS OF THE TOXIC SUBSTANCES CONTROL PROGRAM:

I have begun a series of program reviews to determine what progress we are making under existing laws and where the trouble spots are. Steve Jellinek, Assistant Administrator for Toxic Substances, has made substantial progress in devising and beginning to implement a strategy for regulating toxic chemicals. There are several areas, however, where we will miss legislative deadlines, largely because the task is of much greater magnitude than was realized when the law was enacted. For example, we are required to publish an inventory of toxic substances this month; that inventory will be delayed because the number of chemicals is more than double the initial estimate. We now estimate that there are more than 70,000 chemicals to be inventoried, rather than the 30,000 originally anticipated. We are staying in close touch with Congress on this one; the Members who are interested in this program understand the problems and are very supportive, as are the environmentalists and the chemical manufacturers, whom we have been working with.

A handwritten signature in black ink, appearing to be 'Rogers', is located at the bottom right of the page.



DEPARTMENT OF AGRICULTURE
OFFICE OF THE SECRETARY
WASHINGTON, D. C. 20250

C
/

November 4, 1977

MEMORANDUM TO THE PRESIDENT

THROUGH Rick Hutcheson
Staff Secretary

SUBJECT: Weekly Report

ENERGY. Attached is my standard energy insert used in out-of-town appearances. There were no forums this week; however, there are three meetings scheduled in Maine this Sunday and several next week in Iowa and Nebraska. Each speech opens with an energy statement.

EXPORTS. Brazil, Poland, Russia and the PRC all need grain. Brazil purchased 190,000 tons of U.S. wheat last week; the Soviets seem to be in the U.S. market; no official word on Polish purchases (mainly feed grains needed); or any indication that the PRC is willing to buy from us.

CORN. With 70 percent of the harvest complete, tests in the corn belt show no serious threat from the potentially destructive aflatoxin mold previously reported.

SUGAR. Believe my meeting with 1,000 farmers in Louisiana this week took a lot of heat off of Senator Long.

FmHA - ASCS. The weekly update of appointments is attached. As noted, the three state FmHA directors expected to be serving by October 30 are not. There has been a delay in completing their security clearances.

BOB BERGLAND

Attachments-3

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THE SECRETARY OF THE TREASURY
WASHINGTON

November 4, 1977

MEMORANDUM FOR THE PRESIDENT

Subject: Highlights of Treasury Activities

1. MIDDLE EAST/EUROPE TRIP

As I told you yesterday, I am preparing a full report for you on my trip.

2. ECONOMIC POLICY

The EPG Steering Committee has begun to coordinate staffing and decision schedules for the major elements of our 1978 economic policy: tax reform and cuts, anti-inflation policy, and employment and economic development policies. For the time being, the discussions are being kept to Treasury, OMB, CEA, and the Domestic Policy Staff. It is essential that the economic policies we announce at year's end be -- and be perceived as being -- coherent, farsighted, and realistic. This itself would go a great distance toward reviving business confidence and stimulating long-term investment.

3. ENERGY BILL

Taxes

Larry Woodworth has been working closely with Senator Long and Congressmen Ullman and Ashley. He has been meeting regularly with DOE and White House staff members to develop the best possible strategy for the Conference Committee deliberations. As events begin moving swiftly in Conference next week, I think it would be useful for Larry to have brief daily meetings with Secretary Schlesinger, Stu Eizenstat, and me.

Speeches

All Treasury officials have been encouraged to speak out in support of the Administration's energy proposals. I stressed the importance of the program in my talks abroad, and I hope to get in a good word on "Face the Nation" on Sunday. I will also be speaking on energy to the Indiana Chamber of Commerce next Tuesday. Under Secretary Bette Anderson spoke last Saturday to the National Association of Bank Women, and Bob Carswell will address a group of 250 executives and financial analysts in Richmond on Monday.

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4. WITTEVEEN FACILITY

The Senate Foreign Relations Committee has favorably reported authorization for Witteveen after eliciting Treasury's commitment to study the question of appropriations before the next quota increase. We are exploring alternatives with the House Budget Committee staff and may need to call on you for help as we continue to negotiate.

5. REGULATION Q AND THE FEDERAL RESERVE REFORM ACT

The Congress has passed legislation extending Regulation Q for one year. The act includes a provision requiring Senate confirmation of the Federal Reserve Board Chairman, but the Senate deleted the House-passed provision making the terms of the Fed Chairman and the President coterminous with a one-year lag. You should sign this bill but we shall continue to work hard for enactment of the remainder of our financial institutions reform proposals.

6. CARRYOVER BASIS

The Tax Reform Act of 1976 changed the rule which had permitted income tax to be avoided permanently on appreciated assets passed from a decedent to his heirs. There is considerable sentiment on the Hill now to repeal or postpone the application of these controversial "carryover basis provisons." This would be a major step backward for tax reform and we are working to forestall such action by devising technical amendments to the existing rule. This controversy is an indication of the difficulty we would face in an attempt to tax capital gains at death.

Mike

W. Michael Blumenthal

THE CHAIRMAN OF THE
COUNCIL OF ECONOMIC ADVISERS
WASHINGTON

e

November 4, 1977

MEMORANDUM FOR THE PRESIDENT

From: Charlie Schultze eLS
Subject: CEA Weekly Report

Profits Analysis. In his speech last week, Arthur Burns made several points concerning the profit picture in this country that concerned me. I promised you at that time that I would provide you with a discussion of this issue. My staff dug into the matter and prepared an analysis which demonstrated to me that the matter is immensely more complex than I had expected and that Burns portrayed it to be. Recent inflation has introduced many complications into the analysis of profits, and each must be properly accounted for before the correct picture of profit trends can emerge. I have sent my staff back to work on the matter. As soon as I am satisfied with the product, I will send the results to you.

Energy Speech. I spoke on Monday in New York on the economic framework of the energy program.

Economic Agenda. I spoke with you Thursday about developing an agenda for getting to you decision memos on the major elements of a 1978/1979 economic program. OMB, CEA, Treasury, and DPS deputies met this morning and have worked out most of such an agenda.

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for Preservation Purposes



THE SECRETARY OF TRANSPORTATION
WASHINGTON, D.C. 20590

November 4, 1977

MEMORANDUM FOR THE PRESIDENT

THROUGH: Rick Hutcheson, Staff Secretary

SUBJECT: Weekly Report on Issues Pending at the Department of
Transportation

Bob Adams

Air Cargo Legislation

ACTION

The Congress passed and sent to the President, this week, H.R. 6010, an omnibus aviation bill which contains a provision to de-regulate air cargo. This is extremely significant as a first step in the overall reform of the aviation industry. I highly recommend that there be a signing ceremony in your office; and the Assistant Secretary for Congressional Relations, Terry Bracy, will coordinate this with Frank Moore.

Special Meeting of the Council of the International
Civil Aviation Organization (ICAO)

INFORMATION

On Thursday, I appeared before a special meeting of ICAO representatives in Montreal to present this government's position on improved anti-hijacking security. In my remarks, which were coordinated with and approved by Secretary Vance, I urged the Council to adopt an international standard for airport and aircraft security including the screening of all passengers and all carry-on baggage on all airline flights. Current estimates are that 20 of the 28 airline hijackings which have taken place so far this year can be attributed to failures in passenger screening.

I also stated it was the United States position that all nations ratify the Montreal and Hague Conventions which provide for punishment of saboteurs or hijackers in every nation or return of these individuals to the original nation. The U.S. has ratified these Conventions, but a number of other nations have not, including those nations which have from time to time provided sanctuary for certain hijackers.

In addition, I met with representatives of the aviation industry, the pilots, and airport operators on November 1 to inform them that the U.S. is taking these steps. All the industry officials indicated their strong support, and the Air Line Pilots Association and the industry released a supporting statement in Montreal.

In response to press questions after the speech, I indicated the United States wanted to proceed on a multi-lateral basis through the United Nations but if all nations did not cooperate the U.S. reserved its options to take unilateral action. Under existing statutes we can suspend air service to nations providing safe havens and if necessary suspend air service to those countries which have air service to the nations providing safe havens.

Air Traffic Controllers' Union Negotiations

INFORMATION

Negotiations between the Federal Aviation Administration and the Professional Air Traffic Controllers Organization (PATCO) are coming to a conclusion. I am attempting to be certain a satisfactory contract will be signed in December. I do not now anticipate an organized delay of air carrier movements. However, I do expect informational picketing at airports and FAA facilities, as well as full-page ads in national newspapers, by PATCO.

Concrete Tie Contract for the Northeast Corridor Rail
Line

INFORMATION

I have been actively encouraging the use of minority contractors in the construction of the Northeast Corridor project (NEC).

The Department of Transportation's Railroad Administration is in the process of determining which firms are qualified to bid on this difficult new technological project. Of the three under consideration, one of the firms is majority owned, but proposes 40 percent minority subcontract participation; the other two are minority owned. There is a problem because one of the minority firms has 16 1/3 percent South African ownership which was reported in the New York Times and has therefore raised significant Congressional interest, particularly among the Black Caucus members.

I currently estimate that it will be approximately three weeks before a contract award is made. The amount involved is \$30 million.

Promotion of Administration's Energy Program

INFORMATION

This week I appeared before the American Trucking Association's Board meeting and the Ford Motor Company Corporate Executive Seminar to discuss the importance of the Administration's energy program. To the ATA, I stressed that their opposition to fuel taxes was shortsighted and ignored the advantages the trucking industry will find in your energy proposals since they can't convert to coal and your bill is to conserve dwindling petroleum supplies for those who must use it (trucks).

My talk to Henry Ford and his top executives urged them to do more to improve fuel economy and to help with alternative public transportation systems which will avoid misuse of the automobile since continued waste of petroleum resources could make our whole existing economic structure flounder in the 1980's.

Help of truckers sought in oil problem

By Diane Russell
R-J Staff Writer

The oil situation has put the nation in a "pretty deep hole" and the Carter administration is trying to pull it out, Secretary of Transportation Brock Adams said Wednesday in Las Vegas.

In his speech to the American Trucking Association Convention at the Hilton Hotel, Adams told the truckers that they are "the vitality of the transportation system" and asked for their help in coping with oil and energy problems.

Adams said he "came as an old friend to discuss some very difficult things" and to seek the counsel of the association members.

He complemented the association on its effective national organization. This group could help the administration by supplying information and data which relates to the energy problem, he said.

The task of straightening out the problem is "a damn difficult job."



BROCK ADAMS
...oil crisis

"We face a fundamental shift in the way we go about using petroleum in this country," Adams said.

Because many of the major oil sources are now located outside the United States the nation has lost its ability to control oil prices, according to the secretary.

He said there is now a "substantial threat" be-

cause the country is dependent on oil suppliers "who are not within our economic system."

Regaining control of the oil situation is one of the goals of the Carter administration, Adams said.

The administration wants to be able to assure oil supplies to those who must use oil. That is why there is an attempt to "shift everything you can in the industrial economy that can use it to coal," he said.

Another goal is to reduce the amount of oil used by the private sector, he said, adding that in America most of this oil is used in automobiles.

Americans must do something to halt the growing demand for oil, he said. Rationing, taxation and allocation of oil and oil products are all possibilities.

However, one of the best methods of decreasing the demand for oil by the private sector is to have cars which are more efficient, he said.

This is why "gas guz-

zlers" are the subject of so much attention in the energy bill currently being pieced together in Washington, he said. Energy efficient cars are one of the keys to the successful decrease in oil consumption.

Turning to the topic of government regulation of the industry, Adams said from years of experience with the transportation industry he is aware that some of the current Interstate Commerce Commission regulations limit competition and frustrate the trucking industry.

The administration is in the process of trying to "lower the level of regulations" so that industry management can function better and will not have to spend so much time dealing with government agencies, he said.

Although regulation changes are being contemplated, Adams assured the group that "before anything is done your views will be sought and your counsel taken into account."

Adams Warns Truckers

By KEN LANGBELL

SUN Staff Writer

America's trucking industry must change with the times or face disaster, Secretary of Transportation Brock Adams warned Wednesday.

The American Trucking Associations (ATA), meeting at the Hilton Hotel, was told to face the realities of the energy crisis and stop its traditional bickering with railways.

The transportation system of today "is largely the product of an era of cheap, plentiful petroleum-based energy," said Adams, former Democratic congressman from Washington state.

"The transportation system of

tomorrow must reflect the new realities of diminishing petroleum supplies, which must be replaced by other forms of energy and a wiser use of the remaining petroleum."

Adams pointed out to the truckers that, while some industries could use alternate energy sources, trucking was tied to petroleum products.

If America's foreign oil supply were suddenly cut off, half of the driving done in America would have to cease, which included trucks.

One of the ways to conserve fuel, said Adams, is the improvement of "intermodal relationships" between the nation's freight carriers.

"I am concerned," he told the 500

trucking executives, "about the ability of motor carriers to connect with railroads and barges, and the regulations that may frustrate easy interchange at critical terminal points."

The past history of trucks and trains has been one of competition and not cooperation, he indicated.

"Are the rail and trucking industries jointly seeking new opportunities for mutually beneficial operations?" he asked the truckers.

"Are you competing not for profit but for position?"

Other ways to save fuel, said Adams, include improving the high-

ways, obeying the 55 mile-an-hour speed limit, reducing the use of private automobiles and making manufacturers produce more efficient cars.

The truckers wanted to hear Adams come out strongly against removing regulations from interstate trucking. Such a deregulation has been proposed in Congress and would favor small trucking outfits not belonging to the ATA.

In fact, prior to Adams' address, ATA Chairman Robert Shertz declared America no longer was a republic or democracy but a "benevolent bureaucracy" because

among other things, of the deregulation problem.

Adams at one moment was mollifying the truckers by saying "It's my personal view that many of the motor carrier modifications needed can be achieved through reforms, not deregulation."

On the other hand, he emphasized that a substantial amount of the nation's freight was hauled by small firms and owner-operators who could not be ignored.

The closest he came to satisfying the anti-deregulationists was to promise the matter would be thoroughly studied and ATA comments solicited.

Secret

THE WHITE HOUSE
WASHINGTON

DECLASSIFIED

Per; Rac Project

ESDN; MLC-126-8-33-24

BY KS NARA DATE 3/8/13

/	FOR STAFFING
	FOR INFORMATION
	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND

ACTION	FYI	
	/	MONDALE
		COSTANZA
/		EIZENSTAT
		JORDAN
		LIPSHUTZ
/		MOORE
		POWELL
/		WATSON
/		LANCE <i>Jm</i>
		SCHULTZE

	ENROLLED BILL
	AGENCY REPORT
	CAB DECISION
	EXECUTIVE ORDER
	Comments due to Carp/Huron within 48 hours; due to Staff Secretary next day

	ARAGON
	BOURNE
	BRZEZINSKI
	BUTLER
	CARP
	H. CARTER
	CLOUGH
	FALLOWS
	FIRST LADY
	HARDEN
	HUTCHESON
	JAGODA
	KING

	KRAFT
	LINDER
	MITCHELL
	MOE
	PETERSON
	PETTIGREW
	POSTON
	PRESS
	SCHLESINGER
	SCHNEIDERS
	STRAUSS
	VOORDE
	WARREN

THE WHITE HOUSE

WASHINGTON

Date: October 15, 1977

MEMORANDUM

FOR ACTION:

Stu Eizenstat
Frank Moore *attached*
Jack Watson
Jim McIntyre *concur*

FOR INFORMATION:

The Vice President

FROM: Rick Hutcheson, Staff Secretary

SUBJECT: ~~SECRET~~ Brzezinski memo dated 10/15/77 re Tin-for-Copper Barter in GSA Stockpile.

YOUR RESPONSE MUST BE DELIVERED
TO THE STAFF SECRETARY BY:

TIME: 10:00 AM

DAY: Tuesday

DATE: October 18, 1977

ACTION REQUESTED:

☒ Your comments

Other:

STAFF RESPONSE:

☐ I concur.

☐ No comment.

Please note other comments below:

DECLASSIFIED

Per, Rac Project

ESDN: NLG-126-9-33-2-4

BY K2 NARA DATE 3/5/13

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately. (Telephone, 7052)

Date: October 15, 1977

MEMORANDUM

FOR ACTION:

Stu Eizenstat
Frank Moore
 Jack Watson
 Jim McIntyre

FOR INFORMATION:

The Vice President

XC: TATE ✓
 CABLE ✓
 FM ✓

FROM: Rick Hutcheson, Staff Secretary

SUBJECT: ~~SECRET~~ Brzezinski memo dated 10/15/77 re Tin-for-Copper Barter in GSA Stockpile.

YOUR RESPONSE MUST BE DELIVERED
 TO THE STAFF SECRETARY BY:

TIME: 10:00 AM

DAY: ~~Tuesday~~DATE: October ²⁰~~18~~, 1977

Thursday (per letter)

ACTION REQUESTED:

☒ Your comments

Other:

STAFF RESPONSE:

☐ I concur.☐ No comment.

Please note other comments below:

HOUSE LIAISON: If we could go through with a one-time sale, it would help our western political posture prior to going to Denver and LA. (BC)

SENATE LIAISON: Concur with opposition to Domenici proposal. If and when our policy with respect to copper changes, we should work through Sen. DeConcini who has a great interest in this problem. (DT)

DECLASSIFIED

Per, Rac Project

ESDN: NLG-126-F-33-2-4

BY K3 NARA DATE 5/8/13

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately. (Telephone, 7052)

THE WHITE HOUSE
WASHINGTON

Date: October 17, 1977

MEMORANDUM

FOR ACTION:

Secretary Kreps - attached
Secretary Blumenthal - attached in safe
Secretary Vance - attached
Secretary Andrus - attached in safe
Administrator Solomon attached in safe

FOR INFORMATION:

FROM: Rick Hutcheson, Staff Secretary

SUBJECT: ~~SECRET~~ Brzezinski memo dated 10/15/77 re Tin-for-Copper
Barter in GSA Stockpile

YOUR RESPONSE MUST BE DELIVERED
TO THE STAFF SECRETARY BY:

TIME: 12:00 NOON

DAY: Thursday

DATE: October 20, 1977

ACTION REQUESTED:

☒ Your comments
Other: _____

STAFF RESPONSE:

☐ I concur. ☐ No comment.
Please note other comments below:

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately. (Telephone, 7052)

DECLASSIFIED

Per: Rac Project

ESDN: NLC-136-9-33-2-4

BY KS NARA DATE 3/8/13

THE WHITE HOUSE

WASHINGTON

*Charlie & I want
to write joint memo
for FZ1*

Date: October 17, 1977

MEMORANDUM

FOR ACTION:

Bob Strauss - *attached (on safe)*
Charles Schultze

FOR INFORMATION:

FROM: Rick Hutcheson, Staff Secretary

SUBJECT: SECRET Brzezinski memo dated 10/15/77 re Tin-for-Copper
Barter in GSA Stockpile

YOUR RESPONSE MUST BE DELIVERED
TO THE STAFF SECRETARY BY:

TIME: 12:00 NOON

DAY: Thursday

DATE: October 20, 1977

ACTION REQUESTED:

X Your comments

Other:

STAFF RESPONSE:

 I concur.

 No comment.

Please note other comments below:

DECLASSIFIED

Per: Rac Project

ESDN: NLG-126-1-33-2-5

BY: LS NARA, DATE 3/8/13

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately. (Telephone, 7052)

Date: October 17, 1977

MEMORANDUM

FOR ACTION:

Bob Strauss
Charles Schultze

FOR INFORMATION:

FROM: Rick Hutcheson, Staff Secretary

SUBJECT: ~~SECRET~~ Brzezinski memo dated 10/15/77 re Tin-for-Copper
Barter in GSA Stockpile

YOUR RESPONSE MUST BE DELIVERED
TO THE STAFF SECRETARY BY:

TIME: 12:00 NOON

DAY: Thursday

DATE: October 20, 1977

ACTION REQUESTED:

☒ Your comments

Other:

STAFF RESPONSE:

☐ I concur.☐ No comment.*Please note other comments below:*

DECLASSIFIED

Per: Rac Project

ESDN: NLC-R6-9-33-2-4BY 145 NARA DATE 3/8/13PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately. (Telephone, 7052)

October 15, 1977

THE WHITE HOUSE
WASHINGTON~~SECRET GDS~~~~SECRET~~

MEMORANDUM FOR: THE PRESIDENT

FROM: ZBIGNIEW BRZEZINSKI *23.*

SUBJECT: Tin-for-Copper Barter in GSA Stockpile

Senator Domenici has proposed the sale of 30,000 tons of excess tin from the GSA stockpile to purchase 250,000 tons of copper to help the depressed US copper industry. (Tab A). The arrangement has a certain appeal as a seemingly costless way to reduce unemployment in an industry hard-hit by falling prices. But, it would be inconsistent with the strategic and critical materials stockpile policy which you approved on September 27.

That policy establishes priorities for stockpile acquisition and disposal. Accordingly, we are to acquire over the next few years adequate supplies to support, first, US defense and limited civilian needs during the first year of a NATO/Warsaw Pact conflict in Europe; second, US defense efforts during the second and third years of such a conflict; and third, civilian needs during those years. Existing legislation requires that we do not disrupt commodity markets in acquiring and disposing of stockpile materials. Thus, we cannot inform the public of these priorities. Udall, Domenici, and others are not aware that, under this policy, copper has a low priority. Consequently, acquisitions of this material would not take place until we have satisfied the first and second priorities noted above. This would be some years in the future.

There are foreign policy considerations as well. The Domenici bill would have the US immediately dispose of 30,000 tons of tin (approximately 15% of annual world consumption). Such action would disrupt the world tin market and adversely affect our relations with the principal tin producers (Malaysia, Bolivia, Indonesia, and Thailand) with whom we participate in the International Tin Agreement (ITA).

I recommend against the Domenici proposal because it (1) is inconsistent with a stockpile policy based on national security needs; (2) could disrupt the world tin market; and (3) damage our relations with other signatories to the ITA, particularly the developing countries.

~~SECRET GDS~~~~SECRET~~

DECLASSIFIED
Per: Rac Project
ESDN: NLC-126-7-33-2-4
BY: 1CS NARA DATE 3/8/13

• THE SECRETARY OF COMMERCE

WASHINGTON, D.C. 20230

~~SECRET~~
as
J

October 7, 1977

"FYI"

REPORT TO THE PRESIDENT

Comment on Japan-Korea Trip

While in Japan, I stressed the need for that nation to take affirmative measures to redress the imbalances in U.S.-Japanese trade. As part of this effort, we were successful in achieving agreement on terms of reference for the newly-created Joint U.S.-Japanese Trade Facilitation Committee. This Committee, headed on the U.S. side by Assistant Secretary of Commerce Weil, will move quickly to identify and reduce non-tariff barriers to U.S. exports to Japan. In Korea I strongly encouraged the easing of Korean import restrictions, consistent with Korea's favorable trade and payments position. I am confident we will be seeing some positive results in both of these areas.

Middle East Briefing Trip on Anti-Boycott Regulations

Department of Commerce officials, accompanied by State and Treasury representatives, are now conducting a series of meetings in several Arab countries with government officials, U.S. Embassy personnel, and U.S. businessmen to explain our proposed anti-boycott regulations. The team will also brief government officials in Israel on the regulations. The heads of the American Jewish Committee, the American Jewish Congress, and the Anti-Defamation League have voiced their concern that this trip prejudices their opportunity to comment on the proposed regulations. I will be assuring these groups that the regulations are not final, and that the trip will certainly not prejudice consideration of their comments or modification of the regulations.

3619
Comment

Stockpile Tin-for-Copper Barter

As noted in last week's report, the copper industry has proposed a barter of excess tin from the GSA strategic stockpile for an equivalent dollar amount of copper (now depleted in the stockpile). Tin is in short supply and is selling on the world market at a record \$5.50 a pound; copper is in oversupply and is now selling at about 55¢ a pound, a price below cost for many domestic producers. Because widespread layoffs have already occurred in the U.S. copper industry, Senator Domenici has announced his intention to attach a rider to the Utility Rate Reform Bill that would provide for this barter; similar action would likely follow in the House. Based upon our preliminary analysis, I believe this proposal is worth your careful attention.

~~SECRET~~

THE WHITE HOUSE
WASHINGTON

Mr. President:

McIntyre concurs with
Brzezinski.

Rick (wds)

INFORMATION

October 15, 1977

THE WHITE HOUSE
WASHINGTON~~SECRET~~~~SECRET GDS~~

MEMORANDUM FOR:

THE PRESIDENT

FROM:

ZBIGNIEW BRZEZINSKI

SUBJECT:

Tin-for-Copper Barter in GSA Stockpile

Senator Domenici has proposed the sale of 30,000 tons of excess tin from the GSA stockpile to purchase 250,000 tons of copper to help the depressed US copper industry. (Tab A). The arrangement has a certain appeal as a seemingly costless way to reduce unemployment in an industry hard-hit by falling prices. But, it would be inconsistent with the strategic and critical materials stockpile policy which you approved on September 27.

That policy establishes priorities for stockpile acquisition and disposal. Accordingly, we are to acquire over the next few years adequate supplies to support, first, US defense and limited civilian needs during the first year of a NATO/Warsaw Pact conflict in Europe; second, US defense efforts during the second and third years of such a conflict; and third, civilian needs during those years. Existing legislation requires that we do not disrupt commodity markets in acquiring and disposing of stockpile materials. Thus, we cannot inform the public of these priorities. Udall, Domenici, and others are not aware that, under this policy, copper has a low priority. Consequently, acquisitions of this material would not take place until we have satisfied the first and second priorities noted above. This would be some years in the future.

There are foreign policy considerations as well. The Domenici bill would have the US immediately dispose of 30,000 tons of tin (approximately 15% of annual world consumption). Such action would disrupt the world tin market and adversely affect our relations with the principal tin producers (Malaysia, Bolivia, Indonesia, and Thailand) with whom we participate in the International Tin Agreement (ITA).

I recommend against the Domenici proposal because it (1) is inconsistent with a stockpile policy based on national security needs; (2) could disrupt the world tin market; and (3) damage our relations with other signatories to the ITA, particularly the developing countries.

DECLASSIFIED

Per: Rac Project

ESDN: NLC-126-9-33-1-5

BY: 1CS NARA DATE 3/8/13

~~SECRET GDS~~~~SECRET~~

THE SECRETARY OF COMMERCE
WASHINGTON, D.C. 20230

~~SECRET~~
cc JHR
J

October 7, 1977

"FYI"

REPORT TO THE PRESIDENT

Comment on Japan-Korea Trip

While in Japan, I stressed the need for that nation to take affirmative measures to redress the imbalances in U.S.-Japanese trade. As part of this effort, we were successful in achieving agreement on terms of reference for the newly-created Joint U.S.-Japanese Trade Facilitation Committee. This Committee, headed on the U.S. side by Assistant Secretary of Commerce Weil, will move quickly to identify and reduce non-tariff barriers to U.S. exports to Japan. In Korea I strongly encouraged the easing of Korean import restrictions, consistent with Korea's favorable trade and payments position. I am confident we will be seeing some positive results in both of these areas.

Middle East Briefing Trip on Anti-Boycott Regulations

Department of Commerce officials, accompanied by State and Treasury representatives, are now conducting a series of meetings in several Arab countries with government officials, U.S. Embassy personnel, and U.S. businessmen to explain our proposed anti-boycott regulations. The team will also brief government officials in Israel on the regulations. The heads of the American Jewish Committee, the American Jewish Congress, and the Anti-Defamation League have voiced their concern that this trip prejudices their opportunity to comment on the proposed regulations. I will be assuring these groups that the regulations are not final, and that the trip will certainly not prejudice consideration of their comments or modification of the regulations.

Stockpile Tin-for-Copper Barter

As noted in last week's report, the copper industry has proposed a barter of excess tin from the GSA strategic stockpile for an equivalent dollar amount of copper (now depleted in the stockpile). Tin is in short supply and is selling on the world market at a record \$5.50 a pound; copper is in oversupply and is now selling at about 55¢ a pound, a price below cost for many domestic producers. Because widespread layoffs have already occurred in the U.S. copper industry, Senator Domenici has announced his intention to attach a rider to the Utility Rate Reform Bill that would provide for this barter; similar action would likely follow in the House. Based upon our preliminary analysis, I believe this proposal is worth your careful attention.

36:9
Comment

~~SECRET~~

THE WHITE HOUSE

WASHINGTON

~~SECRET~~ ~~GDS~~

November 4, 1977

MEMORANDUM FOR THE PRESIDENT

FROM: CHARLIE SCHULTZE ^{CLS} *Stu*
STU EIZENSTAT

SUBJECT: COPPER INDUSTRY POLICY

Two separate sources recently have proposed accumulating copper in the strategic stockpile as a vehicle for assisting the depressed U.S. copper industry:

(1) Secretary Kreps has brought to your attention a proposal within the Congress to sell tin from the U.S. strategic stockpile and to use the proceeds to purchase copper for the stockpile.

(2) You asked Stu and me to prepare for you a response to a letter from Senator Dennis DeConcini (D-Ariz.) that discussed the copper industry's problems. He proposed a number of trade restraining measures to protect the copper industry that we believe we should oppose. But he also suggested purchasing copper for the strategic stockpile.

These suggestions pose 3 distinct but interrelated issues:

(1) Should we revise our stockpile acquisition schedule to provide for near term purchases of copper?

*slightly -
not
much -*

(2) Should we engage in a tin-for-copper swap, by selling some of the excess tin now in the stockpile and use the proceeds to purchase copper?

no

(3) If either or both of the above are acceptable, how should this be accomplished, and what should our public position be?

*no
statement
on subject*

This memo will summarize the views and recommendations of several of the agencies who have an interest in this issue.

~~SECRET~~ ~~GDS~~

K5

Jan 26/90

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for Preservation Purposes

DECLASSIFIED

Per: Rac Project

ESDN: NLG-126-9-33-1-5

BY: *JKS* NARA DATE: *3/8/13*

~~SECRET~~ GDS

DISCUSSION

The U.S. copper industry is in the midst of a period of extreme slack demand, brought on primarily by the slow pace of recovery throughout the industrial world. Since September, 20 percent of the copper industry workforce has been laid off. Over the next several years, our stockpile policies call for acquiring 1.3 million tons of copper. Under the current set of priorities (established by your decision of September 27, 1977), however, these purchases will not begin until FY 1981. While the laws governing stockpile policy prohibit acquisitions or sales designed purely for economic reasons, some arguments can be made that rearranging our acquisition schedule will benefit our strategic stockpile in the long run. Alternatively, copper could be bought now under Title III of the Defense Production Act and transferred to the stockpile later.

The General Services Administration estimates that buying 250,000 tons of copper in FY's 1978 and 1979, could save \$95 million in acquisition costs. Commerce and GSA also point out that the U.S. copper industry is now in serious enough trouble that failure to act will decrease our overall production capacity thereby necessitating a larger strategic stockpile than is now planned. State, Commerce, Ambassador Strauss, Interior, GSA and we look with favor on exploring options to speed up copper acquisitions.

The NSC and the Treasury Department, while not commenting on use of the Defense Production Act authority, oppose speeding up copper acquisitions because:

- it is a low priority acquisition under your newly established policy which is based on national security needs and would be inconsistent with this policy
- it sets a bad precedent of juggling stockpile priorities to meet economic needs

Swapping excess stock of tin in the strategic stockpile to defray the costs of copper acquisition is a second variant on the issue of speeding up copper acquisitions. Over the next several years plans call for selling about 165,000 tons of tin.

~~SECRET~~ GDS

In contrast to the copper industry, the tin industry is in a strong position. Tin prices have risen rapidly from \$2.80 per pound in early 1976 to \$5.80 per pound today. The International Tin Council (ITC) forecasts a world shortfall of 17,000 tons in 1977; the ITC buffer stock was exhausted four months ago. According to Ambassador Strauss and others, tin producers are concerned that the current high prices will cause consumers to turn to substitutes for tin. Strauss reports that at least some producers (except for Bolivia) would welcome well-timed disposal of U.S. excess tin reserves to help alleviate the existing shortage. (He also adds, as a footnote, that lower tin prices would be a plus for the steel industry.)

The laws governing the strategic stockpile prohibit disposal of materials in a manner which would disrupt markets and prices. Commerce, Strauss, GSA, and we understand that tin sales could be timed so as to avoid major disruptions.

Dr. Brzezinski and Treasury, however, hold a different view. They note that a bill introduced by Senator Domenici (which requires a tin for copper swap) would ask the U.S. to immediately dispose of 30,000 tons of tin (about 15% of annual world consumption). They believe that this would disrupt the world tin market and would adversely affect our relations with the principal tin producers (Malaysia, Bolivia, Indonesia, and Thailand) with whom we participate in the International Tin Agreement. (Note: Schultze disagrees with the NSC reading that immediate sales are required under the Domenici bill.)

State, however, has reservations about this conclusion, citing a projected 1978 tin shortfall of 20-25,000 tons. They do not anticipate any unmanageable problems with other Tin Agreement signatories as a consequence of the orderly disposal of surplus GSA tin. State, however, does believe the linkage between copper and tin proposed in the Domenici bill is problematic. Judgments on either commodity should be made separately, each on its own merits.

With the exception of NSC and Treasury, all agencies commenting on this issue suggested that tin sales and copper purchases, whether or not they are expressly linked, have merit. These agencies join us in recommending that a task group be formed under Stu to develop further options on copper and tin, including an analysis of the proposals by Senators Domenici and DeConcini.

_____ Approve task group
_____ Disapprove task group
_____ Other

If you approve of an interagency group to review the options to assist the copper industry, including the possibility of a tin-for-copper swap, we recommend that our response to the DeConcini letter state that we are reviewing his stockpile suggestion from an initially favorable position, but at the same time indicate that we have difficulties with his proposals for trade restraint.

A draft letter making these points is attached.

Commerce, STR, GSA, CEA and DPS agree that the attached letter should be sent. Treasury and NSC want to take a negative view at this point.

Attachment

THE WHITE HOUSE
WASHINGTON

((ZB
16 Hy Sherman



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

OCT 17 1977

MEMORANDUM FOR; RICK HUTCHESON
THRU: Bo ~~Carter~~
FROM: Randy Jayne
Associate Director, NSIA
SUBJECT: Brzezinski Memo on Tin-for-Copper Barter

We strongly support Zbig's opposition to the Domenici plan. In our view, current law and our Congressional difficulties with stockpile policy make such a barter highly inadvisable.



~~SECRET~~
United States Department of the Interior

OFFICE OF THE SECRETARY
WASHINGTON, D.C. 20240

OCT 20 1977

Memorandum

To: Rick Hutcheson, White House Staff Secretary

From: Secretary Andrus

Subject: Tin-for-Copper Barter in GSA Stockpile

The following comments relate to Dr. Brzezinski's memorandum of October 15, 1977, relating to the "tin-for-copper barter" in the GSA stockpile.

I concur with Dr. Brzezinski's assessment to the extent that the sale of 30,000 tons of excess tin from the GSA stockpile and its effect on the Nation's foreign policy is not an adequate solution to domestic copper industry problems. However, I do feel that the situation facing the domestic copper industry deserves this Administration's immediate attention, because of impacts of this situation on the structure of the industry and on the economy

I, therefore, recommend that the Nation's tin stockpile policy not be altered. I suggest, however, that the President consider issuing a strong statement indicating his concern about the copper situation and that at the same time he order the Department of the Interior, the Department of Commerce, and the Department of State to prepare for him an analytical study outlining what steps are available to the Administration to assist the copper industry. This study should be based on existing information and should be undertaken on a priority basis with planned delivery to the President of a product in six weeks.

I also suggest that the President publicly instruct this Nation's delegation to the UNCTAD meeting in Geneva in November to work towards international agreement on policies that will strengthen the copper industry. I feel this may provide the psychological boost needed to improve the copper industry's outlook.

I further recommend that, given the conclusions of the study, the Administration consider what steps it could take to help alleviate the dire situation of the copper industry. The copper industry is an important industry in the Western United States and any move in this direction by the White House would improve our relations with that region.

DECLASSIFIED

Per: Rac Project

ESDN: NLC-126-9-33-2-4

BY KS NARA DATE 3/8/13

Lucile D. Andrus

~~SECRET~~

EM 257-77-1

THE WHITE HOUSE
WASHINGTON

Sal
re

To Senator DeConcini

I appreciate your thoughtful memorandum on the problems now facing the copper industry. Members of my cabinet and senior staff reviewed your suggestions, and I would like to share their reactions with you.

ted
ur
We are initiating, as a result of your letter, an intensive review of the stockpile suggestion. ~~Our~~ *u*
~~initial reaction to this proposal is favorable,~~
~~although further details must be considered.~~ I
have asked that a more detailed series of options
be prepared ~~within the next several weeks.~~ Any
further suggestions or thoughts you may have on
this would be welcome and should be directed either
to me or to Stu Eizenstat who will head this effort.

ic
hand
Concerning your other suggestions, I do have some serious reservations about actions which restrain trade. I have, however, requested that Stu's task force look into the possibilities of further negotiations with producing and consuming nations.

My thanks again for your comments and suggestions. They have been very helpful.

Sincerely,

Electrostatic Copy Made
for Preservation Purposes



DEPARTMENT OF STATE

Washington, D.C. 20520

October 25, 1977

MEMORANDUM FOR MR. RICK HUTCHESON
THE WHITE HOUSE

Subject: Senator Domenici's Bill for a Tin-Copper
Swap in the GSA Stockpile

The Department does not agree with the NSC's conclusion that the Domenici proposal is inconsistent with a stock-pile policy based on national security needs. The current goals for the strategic stockpile, as confirmed by the President on October 7, call for a 1.3 million ton stockpile of copper metal. While we are aware that GSA's FY 1978 Annual Materials Program does not include provision for the acquisition of copper metal, it could be amended to allow for such acquisition. We also note that Title III of the Defense Production Act includes provision for the support of endangered strategic domestic industries, such as the copper industry, through the mechanism of GSA purchase agreements.

Furthermore, the Department has reservations about the NSC's conclusion that the tin metal sales envisioned in the Domenici Bill could disrupt the international tin market and damage our relations with other signatories to the Fifth International Tin Agreement. Tin metal has been in extremely short supply for the past 18 months, and current projections are that demand during 1978 will exceed production by 20-25,000 tons. The current and projected shortage of tin metal has resulted in the rapid escalation of tin prices with the result that U.S. tin metal consumers have seen prices increase from \$3.75 per lb. to \$5.80 per lb. during the past year. An orderly disposal of surplus tin metal from the GSA strategic stockpile would help to balance

supply and demand and would help stabilize tin metal prices at levels more reasonable to consumers. We do not anticipate any unmanageable problems with other signatories to the Fifth International Tin Agreement as a consequence of the orderly disposal of surplus GSA tin metal.

The real problem that we see with the Domenici Bill is that it links action on two commodities whose situations are substantially different. Any contemplated action on either commodity should therefore be judged separately on its own merits. Moreover, the Domenici Bill ignores other possible remedies to the problems of the copper industry.

We do recognize, however, that the domestic copper industry has serious problems. The industry is presently operating at only 65-70 percent of capacity as opposed to its historic average of 90 percent. Industry employment has dropped by over 30 percent from 34,000 to 22-24,000 workers. There is a glut of copper metal on the world market -- in excess of one million tons -- and some copper producing countries continue to maintain high levels of production despite weak international demand. There is thus no relief in sight for the domestic industry. Accordingly, we believe the Administration should give priority consideration to measures to assist the troubled domestic copper industry and, to this end, we recommend that the White House establish an interagency task force.

We note that the Congress is considering a variety of measures aimed at assisting the domestic copper industry. These include:

- Congressman Ruppe and Senator DeConcini's bills (HR 8630 and S2124) to double the tariff on imported copper and copper manufactures and to remove copper from the Generalized System of Preferences.

- Congressman Udall's bill (HR 9695) for a 10¢ per pound tariff on copper imported from those countries which do not abide by U.S. environmental standards.

We also note that relief may possibly be available to the copper industry through the escape clause provisions of the Trade Act of 1974 and, as previously noted, the strategic industries provisions of Title III of the Defense Production Act of 1950. To our knowledge, the copper industry has not sought relief under these provisions.

THE WHITE HOUSE
WASHINGTON

November 7, 1977

Stu Eizenstat
Charles Schultze
Zbig Brzezinski

1-2
The attached letter to Sen. DeConcini was returned in the President's outbox and is forwarded to Frank Moore for delivery. The attached is sent to you for appropriate handling.

Rick Hutcheson

RE: TIN-FOR-COPPER BARTER IN GSA STOCKPILE

cc: Jim McIntyre
Frank Moore

THE WHITE HOUSE

WASHINGTON

November 7, 1977

To Senator Dennis DeConcini

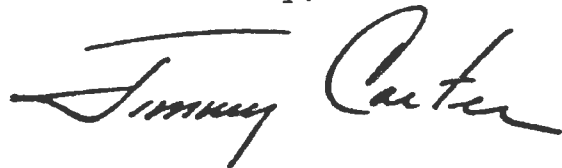
I appreciate your thoughtful memorandum on the problems now facing the copper industry. Members of my cabinet and senior staff reviewed your suggestions, and I would like to share their reactions with you.

We are initiating, as a result of your letter, an intensive review of the stockpile suggestion. We are interested in your proposal, although other domestic and international issues must be considered. I have asked that a more detailed series of options be prepared without delay. Any further suggestions or thoughts you may have on this would be welcome and should be directed either to me or to Stu Eizenstat who will head this effort.

Concerning your other suggestions, I do have some serious reservations about actions which restrain trade. I have, however, requested that Stu's task force look into the possibilities of further negotiations with producing and consuming nations.

My thanks again for your comments and suggestions. They have been very helpful.

Sincerely,

A handwritten signature in cursive script, reading "Jimmy Carter". The signature is written in dark ink and is positioned below the word "Sincerely,".

The Honorable Dennis DeConcini
United States Senate
Washington, D.C. 20510

THE WHITE HOUSE
WASHINGTON

November 7, 1977

Stu Eizenstat

The attached was returned in
the President's outbox. It is
forwarded to you for your
information.

VETO MESSAGE Rick Hutcheson

THE WHITE HOUSE
WASHINGTON

	FOR STAFFING
	FOR INFORMATION
/	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND

ACTION	FYI	
		MONDALE
		COSTANZA
/		EIZENSTAT
		JORDAN
		LIPSHUTZ
		MOORE
		POWELL
		WATSON
		McINTYRE
		SCHULTZE

	ENROLLED BILL
	AGENCY REPORT
	CAB DECISION
	EXECUTIVE ORDER
	Comments due to Carp/Huron within 48 hours; due to Staff Secretary next day

	ARAGON
	BOURNE
	BRZEZINSKI
	BUTLER
	CARP
	H. CARTER
	CLOUGH
	FALLOWS
	FIRST LADY
	HARDEN
	HUTCHESON
	JAGODA
	GAMMILL

	KRAFT
	LINDER
	MITCHELL
	MOE
	PETERSON
	PETTIGREW
	POSTON
	PRESS
	SCHLESINGER
	SCHNEIDERS
	STRAUSS
	VOORDE
	WARREN

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

*Stu -
You changed my
veto message more
than I thought -
J*

NOTE FOR THE PRESIDENT

FROM

STU EIZENSTAT

Stu

Below are the main points which I recommend that you make when you tell the Speaker about your decision to veto the ERDA Authorization.

- a) all negative*
- b) Schlesinger & others*
- c) specific directives*
- d) international impact*
- e) 2 one-house vetoes*
- f) spent fuel*
- g) DoE R & D limits*
- h) Don't shift items to Approp bill*

- o The directives in the bill that the Administration must continue to press, on the original schedule, for preparing the CRBR for construction and that we are to pursue licensing of the project are unacceptable from the standpoints of my non-proliferation and R & D budget policies. This program runs directly contrary to my efforts to establish the U.S. as a leader in preventing the proliferation of nuclear weapons, and it is a gross waste of taxpayer dollars.
- o While I recognize that \$80 million will be appropriated for the CRBR in the Supplemental, I cannot accept the language of the Authorization which ties my hands in using administrative tools to press for termination of the project. I cannot in good conscience sign legislation which binds me and the members of the Administration to refraining to plan for the cancellation or termination of the program.
- o There are a number of other objectionable features in the bill:
 - limitations on Presidential authority in the form of one-house vetoes. These occur in three separate places.
 - substantial limitations on the Administration's ability to implement the spent fuel policy which we announced just three weeks ago.
 - limitations on the Secretary of Energy's ability to effectively organize R & D activities in the new DoE -- these run directly contrary to the intent of Congress established when the DoE bill was passed just this summer.

- authorizations above my request for several programs, including community impact assistance on which the Administration is now conducting a thorough study.
- restrictions on or requirements for R & D projects which reflect judgments better made by the experts at DoE.

THIS PRESENTATION WAS DEEMED

THE WHITE HOUSE

WASHINGTON

November 7, 1977

9

~~CONFIDENTIAL~~ -- NOT FOR CIRCULATION

MEMORANDUM FOR:

THE PRESIDENT

FROM:

STU EIZENSTAT

Stu

SUBJECT:

Return of St. Stephen's Crown

The State Department's announcement concerning the return of St. Stephen's Crown to Hungary has touched off a firestorm of opposition from Hungarian-Americans, many of whom were strong supporters of ours in important states like New Jersey and Ohio. Congresswoman Mary Rose Oakar called me today about this to point out the following:

A. She and others concerned with this issue had been given explicit written assurances on April 5, 1977 from the State Department that there were no present plans to return the crown and that they would be advised in advance of any change in thinking.

B. A meeting was held in April at the State Department with leaders of the Hungarian-American community and similar assurances were given.

C. This is a religious relic of importance to Hungarian Catholics who consider it a desecration to return it to Communists.

As far as I am able to determine, no one in the White House, other than perhaps Zbig, was aware of this decision before it was announced despite its domestic political implications.

While I do not know whether the foreign policy benefits (which seem to me at first glance extremely slight) outweigh the domestic disadvantages, this is precisely the type of issue in which that balance should be discussed before a decision is reached.

At the sake of beating a dead horse, a coordinating mechanism must be developed internally so that these type of foreign policy decisions receive the same type of internal staffing that domestic decisions receive.

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DECLASSIFIED

Per: Rac Project

ESDN; NLG-126-7-33-1-5

BY JKS NARA DATE 3/8/13

These types of decisions, with domestic fallout, will continue to occur absent such a system and absent such coordination.

While I realize no one has the time while Congress is in session to deal with this situation, I feel very strongly that integration of foreign policy decisions into the normal process is critical to the continued success of the Administration.

THE WHITE HOUSE
WASHINGTON

November 7, 1977

Stu Eizenstat
Jack Watson
Greg Schneiders

The attached is forwarded to
you for your information.

Rick Hutcheson

RE: TACCOA, GEORGIA, DAM DISASTER

THE WHITE HOUSE
WASHINGTON

	FOR STAFFING
/	FOR INFORMATION
	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND

ACTION
FYI

	MONDALE
	COSTANZA
/	EIZENSTAT
	JORDAN
	LIPSHUTZ
	MOORE
	POWELL
/	WATSON
	McINTYRE
	SCHULTZE

not to Pres

	ENROLLED BILL
	AGENCY REPORT
	CAB DECISION
	EXECUTIVE ORDER
	Comments due to Carp/Huron within 48 hours; due to Staff Secretary next day

	ARAGON
	BOURNE
	BRZEZINSKI
	BUTLER
	CARP
	H. CARTER
	CLOUGH
	FALLOWS
	FIRST LADY
	HARDEN
	HUTCHESON
	JAGODA
	GAMMILL

	KRAFT
	LINDER
	MITCHELL
	MOE
	PETERSON
	PETTIGREW
	POSTON
	PRESS
	SCHLESINGER
/	SCHNEIDERS
	STRAUSS
	VOORDE
	WARREN

THE WHITE HOUSE
WASHINGTON

11/7/77

TO:

Rick Hutcherson

For Your Information:

For Appropriate Handling:

✓

Robert D. Linder



November 7, 1977

MEMORANDUM FOR THE PRESIDENT

FROM: ^{qpm} Joe Mitchell, Director, Federal Preparedness Agency

THRU: Jay Solomon, Administrator of General Services

SUBJECT: Taccoa, Georgia, Dam Disaster

I am aware of the unfortunate incident which occurred in the early morning hours yesterday at Taccoa.

Although the Federal Preparedness Agency has no statutory or Presidential authority to provide immediate relief and assistance under the Disaster Relief Act of 1974, which is the direct mission of the Department of Housing and Urban Development, I am monitoring the situation closely. I have instructed all personnel of the Federal Preparedness Agency to remain on the alert and be available for any assistance which the Agency is in a position to render.

In reviewing the authorities of the Federal Preparedness Agency, I find that from a long-range viewpoint we may be able to help in the area of reconstruction and rehabilitation under the priorities and allocations provisions of the Defense Production Act. However, in so doing there must be in some manner a defense-related connotation.

The FPA Regional Director in Atlanta is maintaining direct contact with the State disaster officials of both Georgia and North Carolina, and they are perfectly aware of our willingness and eagerness to provide assistance if the Federal Preparedness Agency is called upon to do so.

We are at this time providing communications assistance through this office, and other elements of GSA will be assisting, if necessary, in providing use of Federal property and supplies for the victims.

THE WHITE HOUSE
WASHINGTON
November 7, 1977

Jody Powell

The attached was returned in
the President's outbox. It is
forwarded to you for your
information.

Rick Hutcheson

RE: HAL GULLIVER - "On Saying
Farewell to Bill Safire" -
THE ATLANTA CONSTITUTION

ADMINISTRATIVELY CONFIDENTIAL

THE WHITE HOUSE
WASHINGTON

*Return
A-1*

	FOR STAFFING
	FOR INFORMATION
/	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND

ACTION	FYI	
		MONDALE
		COSTANZA
		EIZENSTAT
		JORDAN
		LIPSHUTZ
		MOORE
	/	POWELL
		WATSON
		McINTYRE
		SCHULTZE

	ENROLLED BILL
	AGENCY REPORT
	CAB DECISION
	EXECUTIVE ORDER
	Comments due to Carp/Huron within 48 hours; due to Staff Secretary next day

	ARAGON
	BOURNE
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	FIRST LADY
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	JAGODA
	GAMMILL

	KRAFT
	LINDER
	MITCHELL
	MOE
	PETERSON
	PETTIGREW
	POSTON
	PRESS
	SCHLESINGER
	SCHNEIDERS
	STRAUSS
	VOORDE
	WARREN

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THE PRESIDENT HAS SEEN.



THE ATLANTA CONSTITUTION

For 109 Years the South's Standard Newspaper

James M. Cox, Chairman 1950-1957—James M. Cox Jr., Chairman 1957-1974

Jack Tarver
Publisher

Tom Wood
President

Hal Gulliver
Editor

Jim Minter
Managing Editor

PAGE 4-A, MONDAY, NOVEMBER 7, 1977

Hal Gulliver

On Saying Farewell to Bill Safire

*Gulliver is
Cruel to sick
people!*
J

One of the syndicated columnists who on occasion has run on this page is William Safire of The New York Times.

His column will not run on the editorial page or the op-ed page any more, not at least in any foreseeable future. Safire is a good writer by style, one of the best. He is also a genuinely irresponsible writer, not limited by facts or even overly concerned about the checking of facts, and he is dangerous for that reason.



There is some point at which any editor, if trying to be responsible, has got to decide if it is responsible to run a columnist who clearly is irresponsible. Safire has demonstrated that he is routinely willing to deal in unsupported allegations of serious nature, with no evidence of substance at all, misstatements on matters which can easily be checked, and in a general carelessness with the truth.

Safire was once a speechwriter for former President Richard Nixon. The New York Times hired him as a columnist after Nixon's fall, presumably in part as a conscious effort to let a more or less pro-Nixon voice have its say.

That is a reasonable attempt at fairness and balance, and it is a reason why The Atlanta Constitution began to run Safire on a fairly regular basis. (The other reason is that he really is a good writer).

But Safire's general theme has been something of a Johnny-one-note. He has seemingly tried to persuade, over and over,

that the people around Nixon were really just like the people around other presidents, that what they did was no different or worse than what others have done and somehow that the bad old Democrats (and maybe the bad old press) created Watergate and sent so many of that Nixon crowd to jail.

In a way, Safire is one of the walking wounded left over from that Watergate time. He was not important enough in the inner circles to be guilty of anything that would get him sent to jail, but he has never gotten over that experience of pulling the wagons in a circle around the White House and fighting your enemies, i.e. those trying to do Richard Nixon in.

In recent times, this has taken the form of insisting that Jimmy Carter and the people around him are really just like the people around Nixon and undoubtedly guilty of similar kinds of wrongdoing. That's all right even, as a point of view, if it is tempered with some decent respect for accuracy and truth. In Safire's case, it is not.

A couple of small examples. When fiercely on the attack against Bert Lance, Safire wrote in one column that The Atlanta Constitution undoubtedly was under great pressure not to run his columns critical of Lance. Well, that just wasn't so, and Safire made no effort even to check if it were so.

In fact, the only pressure relating to Safire was of a different nature. Publisher Jack Tarver has a perverse and determined sense of fairness in such matters and, for the very reason that The Constitution was vigorously supporting Lance, Tarver would sometimes urge that a particular Safire column critical of Lance be published.

Or another example, Safire's column of

last Thursday said that the U.S. Justice Department was deliberately letting the statute of limitations run out on the federal campaign financing law as it would affect Bert Lance's 1974 race for governor. Well, that is just factually untrue at the simplest level; the federal campaign act does not cover Lance's campaign in 1974 or any other state governor's race. Lance's campaign was covered by state election law, and he filed every finance report on time and in proper fashion. Dozens of reporters have in fact checked those state records on Lance's campaign and found nothing amiss.

Or, one other example. Safire has in several recent columns jumped the C&S National Bank with a curious convoluted reasoning. C&S, the biggest bank in Georgia, was one of the banks lending Lance money to help for his governor's campaign. Attorney Philip Alston, a Carter supporter and now ambassador to Australia; was a partner in the law firm that has long represented the C&S bank. Sinister indeed, no? Safire thinks so and writes wondrous things; one of the most remarkable being how Alston long "dominated" the C&S bank.

Well, this is news to both Alston and C&S officials, and it is simply not true, and in fact literally anyone much involved in the Atlanta business community knows it is not true. This particular misstatement does no harm probably, either to Alston or the bank, but it is typical of Safire's careless approach to truth and fact. And he is just as careless with other misstatements which can do harm and which are dangerous and irresponsible for that reason.

These are the reasons why you will no longer read William Safire's column in The Atlanta Constitution.

REPLY FROM WARREN CHRISTOPHER TO YOUR
QUESTION IN THE CABINET MEETING

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE
WASHINGTON

Mr President -

C ✓

We expect the
Soviets to release
the public message
of congratulations today.

Our Embassy will
flash us when they
do so.

Warren Christopher

THE WHITE HOUSE
WASHINGTON

November 7, 1977

Hamilton Jordan

The attached was returned in
the President's outbox. It is
forwarded to you for your
information.

Rick Hutcheson

RE: FARMERS HOME ADMINISTRATION STATE
DIRECTOR STATUS, NOV. 3, 1977
STATUS OF PRESIDENTIAL APPOINTMENTS

THE PRESIDENT HAS SEEN.

Ham

FARMERS HOME ADMINISTRATION STATE DIRECTOR STATUS, November 3, 1977

<u>STATE</u>	<u>ACTION</u>	<u>DESIGNEE or NEW DIRECTOR</u>	<u>TARGET DATE</u>
Arizona	Transfer	Manuel Dominguez	Now serving
Arkansas	Program Assistant	Sherman Williams	October 30***
Alabama	Removed	Elizabeth Wright	Now Serving
Illinois	Resignation	Jon Linfield	October 30***
Iowa	Program Assistant	Max McCord	November 30
Kentucky	Resignation	William Burnette	Now serving
Louisiana	Resignation	Nimrod Andrews	November 30
Maine	Detail/Program Assistant	Awaiting Congressional recommendations	
Delaware	Transfer	Awaiting Congressional recommendations	
Missouri	Program Assistant	Allan Brock	Now serving
Mississippi	Detail/Program Assistant	Mark Hazard	October 30***
North Carolina	Program Assistant	Clifton Perry	Clearances - Holding completed
North Dakota	Transfer	Fred Gengler	Now serving
Oklahoma	Program Assistant	Gene Ernest	December 5
Oregon	Retain Incumbent	Ken Keudall	Now serving
Virginia	Program Assistant/ Resignation	E. A. Ragland	Now serving
Pennsylvania	Removed	Fred King	December 15
Puerto Rico	Removed	Juan Jose Jimenez	November 30
Washington	Holding	Awaiting Congressional recommendations	
Wisconsin	Detail/Program Assistant	Larry Dahl	Now serving
Wyoming	Program Assistant	Rudolph Knoll	Now serving

<u>STATE</u>	<u>ACTION*</u>	<u>DESIGNEE or NEW DIRECTOR</u>	<u>TARGET DATE</u>
California	Removed	Lowell Pannell	Now serving
Colorado	Removed	Ernie Phillips	Now serving
Florida	Retirement	Mike Hightower	Now serving
Georgia	Resignation	Robert Blalock	Now serving
Idaho	Vacant**	Andrew McCarter	Now serving
Indiana	Removed	Bud Posey	Now serving
Kansas	Removed	John Denyer	Now serving
Michigan	Removed	Bob Mitchell	Now serving
Minnesota	Resigned	John Apitz	Now serving
Montana	Vacant**	Wallace Edland	Now serving
Nebraska	Vacant**	Leonard Hanks	Now serving
New Mexico	Resignation	David King	Now serving
New York	Resignation	Karen T. Hansen	Now serving
Ohio	Removed	Gene Abercrombie	Now serving
South Carolina	Vacant**	Karl Smith	Now serving
South Dakota	Removed	Jack Weiland	Now serving
Tennessee	Resignation	Wayne Avery	Now serving
Texas	At-Large	Bill Pieratt	Now serving
Utah	Vacant**	Reed Page	Now serving
Vermont	Transfer	Brian Burns	Now serving
West Virginia	Vacant**	James Facemire	Now serving

*Action taken regarding incumbent in position

**Position vacant when current selection process was started

***Security clearance overdue.

Ham

STATUS OF PRESIDENTIAL APPOINTMENTS

November 4, 1977

Status of
Prior Report
10/28/77

U.S. CIRCUIT COURTS

Appointed-----	7	6
Vacancies-----	4	5
Nominations at Senate-----	1	1
Nominations at White House-----	2	0
Final Process at Justice-----	0	2
In Process at Justice-----	0	1

U.S. DISTRICT COURTS

Appointed-----	19	17
Vacancies-----	23	24
Nominations at Senate-----	2	2
Nominations at White House-----	0	0
Final Process at Justice-----	1	3
In Process at Justice-----	5	5

U.S. COURT OF CLAIMS

Vacancies-----	2	2
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U.S. ATTORNEYS (94 positions)

Appointed-----	56	54
Nominations at Senate-----	8	9
Nominations at White House-----	0	0
Final Process at Justice-----	1	1
In Process at Justice-----	6	7

U.S. MARSHALS (94 positions)

Appointed-----	54	52
Nominations at Senate-----	4	6
Nominations at White House-----	0	0
Final Process at Justice-----	0	2
In Process at Justice-----	14	14

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ASCS Field Appointments

STATE COMMITTEES

Appointed	51
-----------	----

STATE EXECUTIVE DIRECTORS

Appointed	27
-----------	----

Retention Planned	8
-------------------	---

Awaiting Security Clearance	12
-----------------------------	----

In Process	3
------------	---

Name Selected	1
TOTAL	<u>51</u>

November 3, 1977

STATE

STATE EXECUTIVE DIRECTOR

Alabama	Wallace Steele - Appointed 9/29/77
Alaska	Charles Marsh - Awaiting Security Clearance
Arizona	Steve Faltis - Planned Retention - Democrat Appointed by Sec. Freeman
Arkansas	A. C. Mowery - Appointed 7/18/77
California	Howard Mays - Planned Retention - Career employee, retention recommended by State committee and Congressional Delegation and Asst. Sec. Bob Meyer
Colorado	Charles Bishopp - Appointed 8/26/77
Connecticut	George M. Wilber - Awaiting Security Clearance
Delaware	O. Joseph Penuel - Awaiting Security Clearance
Florida	Clyde Payne - Appointed 7/21/77
Georgia	Fritz Scarborough - Appointed 8/11/77
Hawaii	Clarence Chau - Planned Retention - Retention recommended by Congressional Delegation
Idaho	Harland Blackburn - Appointed 10/31/77
Illinois	William O'Daniel - Awaiting Security Clearance
Indiana	Loyd Jones - Appointed 8/1/77
Iowa	James K. Hatcher - Appointed 8/1/77
Kansas	Jim Ray - Appointed 7/25/77
Kentucky	Beverly Yeiser - Appointed 7/11/77
Louisiana	Willie Cooper - Planned Retention - Retention recommended by Congressional Delegation
Maine	Arthur Carroll - Awaiting Security Clearance
Maryland	James Voss - Awaiting Security Clearance
Massachusetts	Myron Maiewski - Appointed 9/30/77
Michigan	Richard Grabemeyer - Appointed 10/27/77

November 3, 1977

STATE

STATE EXECUTIVE DIRECTOR

Minnesota	Howard Carlson - Appointed 8/11/77
Mississippi	D. L. Triggs - Appointed 6/29/77
Missouri	Alan King - Awaiting Security Clearance
Montana	Lyall Schaefer - Appointed 9/27/77
Nebraska	Glenn Kreuscher - Appointed 9/9/77
Nevada	Albert Pasquale - Awaiting Security Clearance
New Hampshire	Dennis Fenton - Planned Retention - Democrat Appointed by Sec. Freeman
New Jersey	John Olsen - In Process
New Mexico	Leo Griego - Appointed 10/17/77
New York	George Komer - Appointed 10/31/77
North Carolina	C. P. Stewart - Appointed 9/19/77
North Dakota	David Strauss - Appointed 8/26/77
Ohio	Ralph Cochran - Awaiting Security Clearance
Oklahoma	John Goodwin - In Process
Oregon	Talbert Sehorn - Appointed 8/5/77
Pennsylvania	Carl Kaufman - In Process
Puerto Rico	Carlos Troche - Planned Retention - Democrat Appointed by Sec. Freeman
Rhode Island	Richard Kenyon - Pending Retirement - Democrat Appointed by Sec. Freeman
South Carolina	Melvin Crum - Appointed 6/29/77
South Dakota	Wayne Testerman - Appointed 9/30/77
Tennessee	Royce Adams - Appointed 8/3/77
Texas	Leonard Williams - Appointed 9/15/77
Utah	Joseph Adair - Appointed 10/25/77
Vermont	Al Heald - Planned Retention - Has status in position

November 3, 1977

STATE

Virginia
Washington
West Virginia
Wisconsin
Wyoming

STATE EXECUTIVE DIRECTOR

Leland Beale - Awaiting Security Clearance
Donald Heinemann - Awaiting Security Clearance
James Coburn - Recommended by Cong. Rahall
Stewart Huber - Awaiting Security Clearance
Carl Otto - Appointed 10/27/77

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

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Q

MEMORANDUM TO: THE PRESIDENT

FROM: Jack Watson
Jane Frank *Frank*

November 4, 1977

RE: Proposed Agenda

1. Welcome home Mike Blumenthal;
2. Status of the energy legislation--
 - Your Address to the Nation will be ~~Wednesday~~, November 9, at 9 p.m.,*
Tuesday
 - Earlier on Wednesday, you will sign the Canadian Gas Pipeline bill. All Cabinet members who advised on the legislation are encouraged to attend,
 - Commend the Cabinet for their continuing efforts to give speeches and press interviews on energy-related subjects;
3. Decision on your worldwide trip;
4. Remarks from Cabinet members.

* Note: Mike Blumenthal has asked to see a draft of your speech before it becomes final. Do you want to share advance copies of your speech with interested Cabinet Secretaries?

CC: The Vice President

THE WHITE HOUSE
WASHINGTON

11/7/77

Cabinet on TV
Abbreviate weekly reports
Cabinet increase hill efforts
HEW paperwork 44.5 m → 34.3 m hours
Energy speeches → mine Tues
SUI congratulations - 60th
- SALT testimony
- Hijackers - Algeria, Libya
- Truckers - energy
- Reorg #2
- Inspector General
- EC/US conference
- Japan/US trade
No way to support \$
Hi us. interest rate does
- Energy - Coal conversion
1st Veto - override
Winter fuel reports
Can handle 10% power temp
Nat gas storage length = max

THE WHITE HOUSE
WASHINGTON

Gas/oil production diligence

Campaigns in this admin.

GA/NC floods

Thurs - Crop report

Corn, Soybeans #1 wheat #2 yr

Maximize exports -

Post export embargoes have hurt

Inspection standards improving

Sales grain → 54 3X expectations

Oil price freeze? doubtful?

Caracas mtg 12/16

Energy policy vs Oil price

Private industry/its govt impact

Solomon - steel report

Helms

Tongshan Pak

ILA strike - volatile = PR intrusion

Coal - 12/6

THE WHITE HOUSE
WASHINGTON

Arms embargo + 3 votes
Hijacking resolution
Mid E - settlements us
Liberation movements - no, contain
Sweden, E Europe, 54
Rhodesia. Bad. British negative
Namibia - SA want to negotiate

Trip postponement
Common fund mty this wk
Broad Econ Aid policy
SALT - progress

60th Anniversary today
Soviet ^{Learn} ^{Stalin} ^{Khrushchev} ^{Revelation} - Prison - Circum-
bushner = Military power tops
Post Office (except us)

Wittkeisen is in danger in future
Patrols coming

N/S - Health component
ESHA, etc extension

THE WHITE HOUSE
WASHINGTON

Urban absentee 30-50% schools
85% attendance, no exams
Eng, Germany re health
Hosp Cost Containment
Physician extenders bill
Sec Sec - Ed tax credit

CTB - B's speech

Belgrade - going well

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THE WHITE HOUSE
WASHINGTON

11-7-77

Drugs

Strategy Comit. Policy

Bourne coordinate program

Heroin purity lowest 7 yrs, Price + 25%

Flat Crime Index \downarrow 7% 1st half '77

HEW/Justice - barbiturates

Cooperation Justice & Treasury

International. UN - AG

Treatment of drug ^{abused} abusers

Drugs \rightarrow crime

Bourne - St. Tr. - AG - HEW

DIAP

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THE WHITE HOUSE
WASHINGTON

2
1

MEMORANDUM TO: THE PRESIDENT

FROM: Jack Watson
Jane Frank *Jane* November 4, 1977

RE: Summaries for the Week of October 31 -
November 4, 1977; Miscellaneous Items

The weekly summaries are attached.

We have asked each Cabinet Secretary to include a status report in his or her weekly summary on energy speeches and press coverage pursuant to your directive.

We thought you might be interested in the attached brochure on "Tips for an Energy-Wise Vacation," recently put out by the Commerce Department U.S. Travel Service.

Jack thought you would like to know that Nancy Abrams' husband had a good meeting with Department of Defense officials and all of their problems seem to be satisfied.

CC: The Vice President

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ENERGY SPEECHES

The following HUD staff made speeches which contained material on the Housing and Community Development Act and the President's Energy Program - Friday, October 28 through Friday, November 4.

Friday October 28	Secretary Harris <u>National Conference of Black Mayors</u> Luncheon Address Washington, D. C.
Sunday October 30	Secretary Harris <u>Michigan City Public Library</u> Library Dedication (with Congressman Brademan) Michigan City, Indiana
Monday October 31	General Manager White <u>University of North Carolina - Department of</u> <u>City and Regional Planning</u> Lecture Chapel Hill, North Carolina
Tuesday November 1	Secretary Harris <u>Presidential Executives</u> (President's Commission on Personnel Interchange) Address and Q & A Departmental Conference Room Under Secretary Janis Legislative Briefing Boston, Massachusetts Under Secretary Janis Dinner Address Boston, Massachusetts Assistant Secretary Schwartz <u>Philadelphia Affairs Seminar</u> <u>"Philadelphia's Housing"</u> Speech University of Pennsylvania Philadelphia, Pennsylvania
Wednesday November 2	Secretary Harris <u>National Press Club</u> Luncheon Speech and Q & A Washington, D. C.

Wednesday
November 2

General Manager White
American Public Health Association
"Economics of the Communities"
Speech
Shoreham Hotel
Washington, D. C.

Assistant Secretary Baroni
Catholic Conference on Urban Ministry
Address
Notre Dame
South Bend, Indiana

Assistant Secretary Simons
Business-Labor Working Group
Speech
New York, New York

Thursday
November 3

GNMA President Dalton
Investment Committee of the Savings Association
League of New York State
Opening Speaker - Seminar
New York, New York

Friday
November 4

Secretary Harris
Groundbreaking - Newark, New Jersey
(With Governor Byrne and Mayor Gibson)

Assistant Secretary Baroni
Lebanese American Community
Honoring Congresswoman Oakar
Dinner Speech
Cleveland, Ohio

Black Mayors on Peaceful Aid Quest

By Milton Coleman

Washington Post Staff Writer

Abandoning much of the rhetoric and confrontation politics of the activist movements that helped to get them elected, the nation's black mayors have chosen a quieter course of pragmatic politics to obtain the millions of dollars in federal funds they believe their cities cannot do without.

There is no longer talk of cutting the massive Defense Department budget to get more money for social programs. Some black mayors now

News Analysis

say that whatever the Pentagon budget is, they just want their communities to get a fair share of the contracts.

When more than 100 black mayors gathered here this week for the three-day meeting of the National Conference of Black Mayors, there was no march to the Capitol, not even a bus trip. Instead, the mayors talked with federal bureaucrats who administer various urban aid programs, learned the how-to's of writing proposals for federal grants, and then made plans to open a Washington office to ride herd on their assistance requests.

"Twenty years ago, when I was marching in the civil rights movement, we were fighting these agencies," said 35-year-old Johnny Ford, who in 1972 became the first black mayor of Tuskegee, Ala. "Now, we're compromising, we're negotiating, we're sitting down at the table and bargaining. This whole business of government is political. Discretionary funds come to the cities who work for them."

The conference, which said it represents all 161 black mayors in the country, began in Tuskegee in 1973 with only eight, who called themselves the Southern Conference of Black Mayors.

Since then, their ranks have been swelled by elections throughout the country as a result of stronger federal voting rights legislation, increased black political awareness and shifts in population. Six months ago, the Southern black mayors were joined by some 60 others from non-Southern areas. This week's convention, held at the Sheraton Park Hotel, was the first meeting of the nationwide group.

The better-known black mayors—Thomas Bradley of Los Angeles, Coleman Young of Detroit, Kenneth Gibson of Newark and Richard G. Hatcher of Gary, Ind.—were either late arrivals or represented by stand-ins.

Most visible were mayors like A.J. Cooper of Prichard, Ala., the first

president of this organization; Maynard Jackson of Atlanta, also highly regarded by many of the group's members; and Walter E. Washington of the District, who spent considerable time and money as the conference's host and wound up being elected to its executive board.

The absence of the big-name mayors emphasized the fact that most of the black mayors are from smaller communities, usually towns of 3,000 or less. Despite a meeting goal of a "rural and urban partnership," the group still appears to be Southern dominated and small-town oriented.

The mayors hope to minimize conflicts that could develop because of the differing needs of different sized cities.

"What we have to consider as a national organization is not what is good for my city or your city, but what is good for all cities," Cooper said. "If Prichard's giving up some money (through a change in federal allocation formulae) would assist some of the cities that are in bad shape, and some of the cities that are in good shape with budget surpluses would give up some money too, I would be willing to recommend that we go ahead and give up the money."

In some respects, the emergence of the national black mayors group is evidence of the absence of a black presence in Washington that might, to some, be represented in the Congressional Black Caucus.

Neither the mayors nor the caucus chairman, Rep. Parren J. Mitchell (D-Md.), speak publicly of rivalry between the two groups. Instead, there is talk mainly of a difference in functions, and the observation that most of the 17 caucus members come from Northern, Midwestern and Western states and just about all of them represent urbanized constituencies.

"The caucus has a different agenda. The caucus has a full-time job helping to see that we get legislation through," said Ford. "We are dealing with administration agencies, and we have to be powerful in our own right."

The caucus has been sharply critical of the performances of the Carter administration, accusing it at times of not being sensitive enough to the needs of blacks. But the mayors' group, with its high dependence on administrative agencies, was noticeably more muffled when asked to assess how the White House is doing.

"Carter is going to be a great President and will do a lot for the black community," Cooper said. "We have to insist that he make the urban and domestic problems the No. 1 priority on his agenda."

Housing and Urban Development Secretary Patricia R. Harris spoke to the mayors and more than 500 guests at a luncheon yesterday, but voiced little more than a possible timetable for release of a long-awaited administration urban policy plan.

She also said any weakening of the Carter administration's embattled energy plan would severely hurt poor people, like those many of the black mayors represent.

THE WALL STREET JOURNAL,
Monday, Oct. 31, 1977

S&Ls' Savings Flow Reached Lowest Level Of Year in September

By a WALL STREET JOURNAL Staff Reporter

WASHINGTON—The flow of savings into federally insured savings and loan associations reached the lowest level of the year in September, reflecting rising interest rates on other investments.

The excess of new deposits over withdrawals in September was \$1.65 billion, down 37% from the exceptionally large August volume of \$2.63 billion, and 15% less than a year earlier, the Federal Home Loan Bank Board said.

Most of the decline "appears to have resulted from the recent rise in market interest rates and a reduced flow of funds from maturing high-rate certificates of deposit previously at commercial banks," the board said.

However, the board added that "when allowance is made for usual seasonal variation, September savings receipts of associations were considerably larger than the average inflow during the first six months of this year."

The \$1.65 billion net inflow doesn't include payment of interest at the end of September, which amounted to \$4.2 billion, or \$700 million more than a year earlier.

Housing-market analysts fear that the slowdown in savings deposits is starting to pinch the high rate of housing starts so far this year. And the board's latest figures on mortgage lending show that S&Ls closed \$9.67 billion in mortgage loans in September, \$1 billion less than in August but 36% above year-earlier figures.

However, the board noted that "the typical seasonal decline is nearly twice that amount," so that on a seasonally adjusted basis, September lending would be a record level.

Commitments outstanding to make home loans in the future declined to \$21.39 billion in September from \$21.67 billion in August, but were 29% above the year earlier's \$15.29 billion.

HARRIS WARNS OF LOSS OF ENERGY BILL

Housing and Urban Development Secretary Patricia Roberts Harris told a group of mayors Friday that loss or weakening of President Carter's energy legislation could have a detrimental impact on their housing and urban development programs.

In an address to the National Conference of Black Mayors in Washington, she made a strong pitch for their support for enactment of the legislation, which is now in the doubtful stage, before Congress adjourns for the year in about 3 weeks.

Mrs. Harris said the program could avert a repetition of last winter's spiraling utility costs and also set up a whole series of new programs.

"You run American cities and you know the devastating impact of increased utility costs, particularly on your elderly and low-income citizens," she warned.

"I know the impact," the HUD Secretary added, "because we had to go to the Congress this year and request additional operating funds to keep our subsidized multifamily projects from going under. I have no doubt that if we lose this energy program, we will have to go to the Congress for more money next year."

She pointed out that increases in oil prices mean not only higher costs for heating but also in petroleum-based products and even have ripple effects on such basic building materials as lumber, which already have jumped 50 percent in 2 years.

"In an economy where high housing costs are already a matter of serious national concern, and increased utility costs for low-income families are going to fall on your shoulders and the Federal government, the impact of losing this legislation could be devastating," Mrs. Harris pointed out to the mayors.

On the other hand, she explained, the enactment would mean benefits such as a residential conservation tax credit, tax credits for installing solar heating and cooling equipment, direct grants for weatherization of low income homes and public institutions, and tax credits to businesses for installing conservation measures.

THE WALL STREET JOURNAL,
Wednesday, Nov. 2, 1977

Minority-Hiring Quotas for Public Works Held Unconstitutional by Federal Judge

By a WALL STREET JOURNAL Staff Reporter
WASHINGTON—The legal dispute over minority-hiring quotas for federally funded local public-works projects is growing more complicated.

In Los Angeles, Federal District Judge A. Andrew Hauk ruled that it is unconstitutional to require that 10% of the work on these public-works projects be performed by minority contractors or subcontractors.

Congress earlier this year imposed that requirement in voting \$4 billion to pay for local public-works projects, part of the Carter administration's economic-stimulus program.

However, Judge Hauk, in an oral ruling, only barred the government from enforcing the 10% rule on projects funded after last Monday.

Thus, "despite the ruling, not one dime in public-works funds has been withheld," a Justice Department official said. Most, perhaps all, of the \$4 billion already has been allocated.

The lawsuit, filed on behalf of the Associated General Contractors of California and other construction-industry groups, sought to block the city and county of Los Angeles from spending about \$58 million in public-works funds allocated by the Commerce Department's Economic Development Administration, so long as the 10% minority-contracting rule was included.

A Commerce Department official said the ruling leaves those governments free to open bids and award contracts and to include the 10% requirement because they were awarded their federal funds before last Monday.

The ruling presumably would bar any application of the rule to future projects, "but there's nothing on the books," the official added.

The California contractor groups had attacked the 10% requirement as illegal "reverse discrimination." An attorney for the groups said Judge Hauk found the 10% provision to be "an unconstitutional preference."

Although the ruling doesn't apply to previous contract awards, "we think it is a victory," the attorney said. "It is important to give Congress the message that you can't tack racial quotas onto legislation and have them upheld by the court."

The Justice Department hasn't yet decided whether to appeal the ruling. In part because similar issues are being litigated in other courts.

Last month, a federal court in Pittsburgh refused to block the public-works program, rejecting a similar argument of "reverse discrimination" filed by another group of contractors. That case has been appealed to the U.S. appeals court in Philadelphia.

At least four similar lawsuits have been entered in other courts at the encouragement of the Associated General Contractors, a national trade association of construction companies.

The Justice Department has defended the minority-hiring requirement as necessary to eliminate the effects of discrimination.



HUD NEWS

U.S. DEPARTMENT OF HOUSING
AND URBAN DEVELOPMENT
WASHINGTON D.C. 20410

HUD-No. 77-323
Phone (202) 755-5284
(Hall)

FOR RELEASE:
Friday
October 28, 1977

Patricia Roberts Harris today told a conference of black mayors that loss or weakening of President Carter's energy legislation could have a detrimental impact on housing and urban development programs, particularly for low-income families.

In an address to the National Conference of Black Mayors in Washington, D.C., the Secretary of Housing and Urban Development called for adoption of the program to avert a possible repetition of last winter's spiraling utility costs.

She also warned of the long-range impact if the program is lost.

"You run American cities," she told the mayors, "and you know the devastating impact of increased utility costs, particularly on your elderly and low-income citizens. I know about that impact because we had to go to the Congress this year and request additional operating funds to keep our subsidized multifamily projects from going under. I have no doubt that if we lose this energy program, we will have to go to the Congress for more money next year."

The Secretary said that there would be long-range effects.

-more-

"We have a number of excellent energy conservation measures in the President's legislative package," she said. "Those range from tax credits for the installation of solar heating and cooling equipment, to direct grants for low income families to finance such things as insulation and storm windows. We will lose all these programs for at least a year if the legislation fails."

She pointed out that massive increases in oil costs will mean increased costs not only in space heating and cooling, but in the cost of petroleum based products. "The inflationary impact of increased costs throughout the economy would be substantial," she said, "but it would hit particularly hard at building materials."

Secretary Harris also warned that the ripple effect of increased fuel costs would have an inevitable impact on the cost of such basic building materials as lumber. "Lumber costs have already soared more than 50 percent in the last two years," she said. "Home builders can't stand more of that."

The Secretary pointed out that there are approximately 76 million residential units alone in the United States and that roughly 20 percent of U.S. energy is used to heat and cool buildings in this Nation.

-more-

"There are a number of incentives in the President's legislation to improve energy efficiency in new buildings, and to bring older structures up to higher standards," she said. "All this would be lost if the President's program is lost."

The Secretary called attention to specific legislation that would be lost if the bill is not passed:

-- A residential conservation tax credit for specified energy conservation measures. The House version calls for a 20 percent credit for the first \$2,000 for a total of \$400.

-- Tax credits for installing solar heating and cooling equipment, as well as wind equipment. The House version calls for 30 percent of the first \$1,500, and 25 percent of the next \$8,500 for a total of \$2,150.

-- Direct grants to low income homeowners to finance such weatherizing aids as storm doors and windows and insulation. There would be \$585 million in this program, and the Department of Agriculture would also have a weatherization fund for rural homes.

-- A program requiring utilities to offer information on insulation, arrange loans repayable through utility bills and offer to make the arrangements for installation of insulation materials.

-- A 10 percent tax credit to businesses for investments in approved conservation measures.

-- A grant program, totaling \$900 million over three years, to assist public and non-profit institutions such as schools and hospitals in conservation.

Above all, she said, an increasingly heavy burden would fall on elderly and low-income inner-city families, where there are already too many problems.

"In an economy where high housing costs are already a matter of serious national concern, and increased utility costs for low-income families are going to fall on your shoulders and the Federal Government, the impact of losing this legislation could be devastating," she said.

#



HUD NEWS

U.S. DEPARTMENT OF HOUSING
AND URBAN DEVELOPMENT
WASHINGTON D.C. 20410

HUD-No. 77-324
Phone (202) 755-5284
(Farley)

FOR RELEASE:
Tuesday
November 1, 1977

A briefing to public interest groups in Boston on the impact and significance of the 1977 Housing and Community Development Act was coupled today with an appeal for support of President Carter's energy program.

The briefing, second of a series to be held on the Act in eight major cities across the country, was conducted by Jay Janis, Under Secretary of the Department of Housing and Urban Development, at the Commonwealth Pier in Boston.

The first session was held Oct. 27 in Baltimore. Others are scheduled for New York, Atlanta, Chicago, Kansas City, Dallas and Los Angeles, with top HUD officials explaining the Act's provisions to constituent groups.

Speaking on behalf of the Administration's energy bill, Under Secretary Janis said homeowners should have a special interest in the legislation, "for both patriotic and selfish motives."

The bill, he said, is designed to cut down American dependence on imported oil, the price for which is set at the whim of 14 OPEC nations.

-more-

Also, by offering inducements to substitute energy-saving solar systems and to install insulation materials and other weatherizing devices, the program would eventually cut high utility costs while adding substantially to the value of the home.

Of particular interest to homeowners, the Under Secretary cited such measures as:

- . A residential conservation tax credit for specified energy conservation purposes.

- . Tax credits for installing solar heating and cooling equipment.

- . Direct grants from a \$585 million program to low income homeowners to finance such weatherizing aids as storm doors and windows, and the creation of a secondary market for residential construction loans.

- . A procedure requiring utilities to offer information on insulation, arrange loans repayable through utility bills and offer to make the arrangements for installation of insulation materials.

Turning to the 1977 Housing and Development Act, the Under Secretary cited provisions that make it easier for Americans to buy and own their own homes, among them:

- . Raising the mortgage limits under FHA single-family programs from \$45,000 to \$60,000.

- . Reducing the downpayment for the basic FHA insured home. For example, the minimum requirement for a \$50,000 home is now \$2,000 instead of \$4,750.

- . Raising the ceiling for home improvement loans from \$10,000 to \$15,000.

- . Increasing the loan limits for mobile homes.

- . Placing the Graduated Payment Mortgage program on a permanent basis. This program is largely for the benefit of younger families. It enables them to make lower monthly payments during the early years of homeownership, increasing the monthly payments as their earning power expands.

Mr. Janis also described in some detail the administrative regulations proposed by HUD in its three-year \$12.5 billion community development program to carry out the Carter Administration's initiatives for charting new directions and channeling new dollars into the country's hardest pressed urban areas.

The regulations, he said, grow out of two underlying themes in the 1977 Act:

- . Targeting Federal resources to areas of greatest need and for the principal benefit of low and moderate income people.

- . Spurring widespread reinvestment into urban communities by the States and by the private sector, as well as encouraging action by the communities themselves.

Applicants applying for community development block grant funds must now show readiness and capacity to comply with the legislative mandate focusing principal benefits on low and moderate income people.

Mr. Janis labeled the new Urban Development Action Grant (UDAG) program of \$400 million a year for three years as "a brand new tool" in HUD's overall strategy for helping the most distressed communities in urban America. Through these grants, he said, HUD can:

-- Respond to unique economic opportunities while they are current.

-- Supply "front-end" funding that allows communities to capture and leverage significant private investment.

-- Make substantial resources available when needed to join other Federal departments in coordinating efforts to meet the urban reinvestment needs of the most distressed of the Nation's communities.

Under the regulations, cities, regardless of size, may apply, along with urban counties, provided they have shown demonstrated results in supplying low and moderate income housing, in offering equal opportunity in housing and employment for low income and minority groups, and have met minimum criteria that indicate physical and economic distress.

#



HUD NEWS

U.S. DEPARTMENT OF HOUSING
AND URBAN DEVELOPMENT
WASHINGTON D.C. 20410

HUD-No. 77-326
Phone (202) 755-5284
(Hall)

FOR RELEASE:
Sunday
October 30, 1977

Patricia Roberts Harris, Secretary of Housing and Urban Development, today warned that if President Carter's energy program is not adopted in a form substantially like that of the original proposal "we can expect to see in this country in the near future the full effects of what we sometimes forget is a real crisis situation."

Speaking to an audience at the dedication of a new public library in Michigan City, Indiana, the Secretary said that although Americans do not see the effects as clearly as during the 1973 gasoline lines, the national energy problem is growing worse with each day.

"Our reliance on imported oil is so great that it now takes the United States, which exports more agricultural products than any other country in the world, two years of selling food and fiber to other nations to pay for one year's worth of foreign oil," she said.

-more-

"The decisions reached on Capitol Hill in the next few days and weeks, she said, "will have a direct and strong impact on virtually every aspect of our American way of life."

The Secretary pointed out that the housing market and the Nation's homeowners and renters will be seriously affected by the energy legislation. Features of the Administration plan that are of direct concern to these people and to the housing industry include:

- A residential conservation tax credit for specified energy conservation measures;

- Tax credits for installing solar heating and cooling equipment, as well as wind equipment;

- Direct grants to low-income homeowners to finance weatherizing aids such as storm doors and windows and insulation;

- A grant program, totaling \$900 million over three years, to assist public and non-profit institutions such as schools and hospitals in conservation; and

- A program requiring utility companies to offer information on insulation, arrange loans repayable through utility bills and make the arrangements for installing insulation materials.

The Secretary also pointed out that the rising costs of housing were already depriving too many Americans of the opportunity for homeownership.

"We estimate that today fully 60 percent of Americans cannot on the basis of their incomes afford to buy the median priced new home," she said. And she warned that unless the Administration's energy proposals were passed "we will exacerbate the condition of already high housing costs by raising what we pay for building materials and utilities still higher."

The Secretary told her audience that public libraries had been special places to her throughout her lifetime. "The library is unique because it is an institution that has something to offer everyone," she said. "It serves all ages, all economic classes, all races and religions, all those who have a love of learning."

She noted that President Carter had this to say about libraries: "If we are to have an educated and informed population, we need a strong and open library system supported by a committed Administration. We cannot call for a revival of quality education in America and close our libraries. We cannot ask our children to learn to read and take away their books."

The Secretary said that the Administration and HUD are especially concerned about the availability of public education and recreational facilities, such as libraries, in our cities.

-more-

"We are concerned as well about the blight and decay that afflict so many of our Nation's cities," she said, "and we are committed to restoring these areas to safe, attractive places for all races and ethnic groups and all economic classes."

Secretary Harris said that the new HUD of the Carter Administration has adopted four major directions for housing and urban development in the months ahead:

1. A major thrust will be the revitalization of urban areas. Included in this effort are assistance for low- and moderate-income persons who wish to stay in the central cities... and the coordination of economic development and other urban development initiatives."

2. HUD housing programs will be part of urban revitalized central cities.

3. We will preserve freedom of opportunity in housing for all persons. We will consider the options of homeownership versus rental housing, and the need of families, the elderly, the handicapped, native Americans, and other special groups.

4. The Federal Government will serve low- and moderate-income persons who lack the resources and experience necessary to compete effectively for housing and other community services, and at the same time we will continue and improve programs that will meet the needs of the middle class.

"Libraries will continue to play a role in our efforts to revitalize downtown areas," she said. "The Michigan City

Public Library will be a part of your revitalized downtown area, and you will not have the void that exists when we forget to leave room for such magnificent sources of information and entertainment."

#



DEPARTMENT OF STATE

Washington, D.C. 20520

November 4, 1977

MEMORANDUM FOR JACK WATSON
THE WHITE HOUSE

Subject: Public Activities in Support of the
President's Energy Program

The attached report is submitted in response to
a telephone request from your office.

Frank H. Winer for
Peter Tarnoff
Executive Secretary

Attachment:

a/s

Public Statements by Department of State
Officials Dealing with the International
Energy Problem and the President's Energy Plan

- October 12: Washington Hebrew Congregation -- Stephen Bosworth, Deputy Assistant Secretary for Economic and Business Affairs
- October 13: Purdue University -- David Dunford, Director of Planning and Economic Analysis Staff
- October 25: Briefing of the U.S. delegation to the meeting of the European Community -- U.S. Businessmen Council -- Julius L. Katz, Assistant Secretary for Economic and Business Affairs
- November 8: Meeting of Leaders of U.S. World Affairs Councils -- Stephen Bosworth, Deputy Assistant Secretary for Economic and Business Affairs
- November 10: Seminar of National Defense University (including high ranking reserve officers and community leaders) -- Gerald Rosen, Director of Office of Fuels and Energy
- November 11: Meeting of Institutional Investors Institute -- Richard N. Cooper, Under Secretary of State for Economic Affairs

Mr. Cooper has also addressed the energy problem, in the context of discussions of international economic policy issues, during two recent appearances on the Hill: October 10, before the Senate Foreign Relations Subcommittee on Foreign Economic Policy, and November 3, before the House Ways and Means Subcommittee on Trade.

THE WHITE HOUSE

WASHINGTON

Date: Nov. 7, 1977

MEMORANDUM

FOR ACTION:

Jody Powell

Jim Fallows *g. Haynes*

Tim Kraft *W. H. H. H.*

FOR INFORMATION:

Fran Voorde

FROM: Rick Hutcheson, Staff Secretary

SUBJECT: Lipshutz/Brzezinski memo dated 11/5 re Transmittal
of letter from "The Center for Strategic and
International Studies" - honorary degree

YOUR RESPONSE MUST BE DELIVERED
TO THE STAFF SECRETARY BY:

TIME: 12:00 Noon

DAY: Wednesday

DATE: Nov. 9, 1977

ACTION REQUESTED:

☒ Your comments

Other:

*Fran asked to decline
to Bob and ZB on 11/10/77*

STAFF RESPONSE:

☐ I concur.

☐ No comment.

Please note other comments below:

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately. (Telephone, 7052)

THE WHITE HOUSE
WASHINGTON

✓	FOR STAFFING
	FOR INFORMATION
	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND

ACTION	FYI	
		MONDALE
		COSTANZA
		EIZENSTAT
		JORDAN
		LIPSHUTZ
		MOORE
✓		POWELL
		WATSON
		McINTYRE
		SCHULTZE

	ENROLLED BILL
	AGENCY REPORT
	CAB DECISION
	EXECUTIVE ORDER
	Comments due to Carp/Huron within 48 hours; due to Staff Secretary next day

	ARAGON
	BOURNE
	BRZEZINSKI
	BUTLER
	CARP
	H. CARTER
	CLOUGH
✓	FALLOWS
	FIRST LADY
	HARDEN
	HUTCHESON
	JAGODA
	GAMMILL

✓	KRAFT
	LINDER
	MITCHELL
	MOE
	PETERSON
	PETTIGREW
	POSTON
	PRESS
	SCHLESINGER
	SCHNEIDERS
	STRAUSS
✓	VOORDE
	WARREN

Date: Nov. 7, 1977

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Jody Powell
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TIME: 12:00 Noon

DAY: Wednesday

DATE: Nov. 9, 1977

ACTION REQUESTED:

☒ Your comments
Other:

see attached - 11/8/77

STAFF RESPONSE:

☐ I concur.☐ No comment.

Please note other comments below:

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately. (Telephone, 7052)

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

November 5, 1977

MEMORANDUM FOR THE PRESIDENT

FROM:

Bob Lipshutz
Zbig Brzezinski

RL
ZB.

Attached is a letter from "The Center for Strategic and International Studies" of Georgetown University.

We recommend that you give serious consideration to accepting this proposed honorary degree for the specific purpose outlined in the letter.

It would be an appropriate forum in which to reassert your overall human rights policy.

Of course, you also undoubtedly wish to consider the entire question of accepting honorary degrees, and neither of us is aware of any particular guidelines which you might have established in this regard.

At your convenience, please advise and we will respond to the letter from Georgetown University.

*David M. Atshire
Chairman of the Center
*Mithunil Samuels
Executive Director



The Center for Strategic and International Studies

Georgetown University / 1800 K Street / Washington DC 20006 / Telephone 202/833-8595

COUNSELORS TO THE CENTER
Henry A. Kissinger
Robert J. Henle, S.J.

Cable Address: CENSTRAT

21 October 1977

The Honorable
Robert J. Lipschutz
Counsel to the President
White House
Washington, D.C. 20500

Dear Mr. Lipschutz:

Pat Derian and I have been discussing a scholarly meeting to be held in the latter part of January co-sponsored by this Center, Freedom House and the Aspen Institute for Humanistic Studies on "The Carter Human Rights Policy -- One Year Later".

I believe Georgetown University would, in connection with this meeting, be in a position to award the President an honorary degree in recognition of his historic initiative.

I would be happy to be of assistance if this idea merits consideration (a biographical statement is enclosed so that you may know something about me).

Sincerely,


John Richardson, Jr.

cc: Father Timothy Healy
Mark Siegel

Enclosure: As stated

JRjr/lgs

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Clement J. Zablocki

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE
WASHINGTON

November 5, 1977

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*David M. Abshire
Chairman of the Board
*Nathaniel Samuels
Chairman, Executive Council



The Center for Strategic and International Studies

Georgetown University / 1800 K Street / Washington DC 20006 / Telephone 202/833-8595

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John Richardson, Jr.

cc: Father Timothy Healy
Mark Siegel

Enclosure: As stated

JRjr/lgs

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F. Ritter Shumway
Gerard C. Smith
John M. Steeves
John R. Stevenson
Arthur G. Tuxford
John W. Tushnet
Rep. Al Ullman
Richard W. Voth
Rep. Bob Wilson
Clement J. Zablocki

THE WHITE HOUSE
WASHINGTON
November 7, 1977

Tim Kraft

The attached was returned in the President's outbox. It is forwarded to you for appropriate handling.

Rick Hutcheson

RE: MEETINGS WITH CEQ ON
SENSITIVE MATTERS

THE WHITE HOUSE
WASHINGTON

Handwritten:
Cable
10/10/70

	FOR STAFFING
	FOR INFORMATION
/	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND

ACTION
FYI

	MONDALE
	COSTANZA
	EIZENSTAT
	JORDAN
	LIPSHUTZ
	MOORE
	POWELL
	WATSON
	McINTYRE
	SCHULTZE

	ENROLLED BILL
	AGENCY REPORT
	CAB DECISION
	EXECUTIVE ORDER
	Comments due to Carp/Huron within 48 hours; due to Staff Secretary next day

	ARAGON
	BOURNE
	BRZEZINSKI
	BUTLER
	CARP
	H. CARTER
	CLOUGH
	FALLOWS
	FIRST LADY
	HARDEN
/	HUTCHESON
	JAGODA
	GAMMILL

/	KRAFT -
	LINDER
	MITCHELL
	MOE
	PETERSON
	PETTIGREW
	POSTON
	PRESS
	SCHLESINGER
	SCHNEIDERS
	STRAUSS
	VOORDE
	WARREN

Handwritten: Warren 10/10/70

THE PRESIDENT HAS SEEN.

EXECUTIVE OFFICE OF THE PRESIDENT
COUNCIL ON ENVIRONMENTAL QUALITY
722 JACKSON PLACE, N. W.
WASHINGTON, D. C. 20006

Tim
J

November 4, 1977

MEMORANDUM FOR THE PRESIDENT

FROM: Charles Warren *Chas*
Gus Speth
Marion Edey

SUBJECT: Weekly Status Report

Domestic Nuclear Policy Memorandum: On Monday of this week I personally delivered to Rick Hutcheson's office a memorandum on domestic nuclear power policy addressed to you. Recognizing the sensitivity of the memorandum, special steps were taken to insure that other copies were available only to Council members and our executive director.

Yesterday we learned to our dismay that a copy of the memorandum had been given to and published by a periodical called Energy Daily. We do not know how or by whom it was made available to Energy Daily, but do know from the managing editor of that publication that it was not obtained from CEQ. We also know that it was circulated for comment among various agencies and, in the case of OMB, to a staff person five levels below Jim McIntyre.

Anticipating other journals and media may report the existence and content of the memorandum we have met with Jody's office to work out how press inquiries should be handled. We have also reported the facts of the situation to Stu.

This experience presents us with a dilemma: if for sensitive matters which should be brought to your attention our means for doing so are subject to "leak", then the risk of causing you unnecessary or untimely trouble arises. For most matters, satisfactory means of ventilating and discussing ideas are available to us. However, there are occasions when we feel that personal discussion with you would be the most appropriate course. In this context, would you please consider making available to us no more than 30 minutes of your time each month to enable us to review with you those parts of our work plans which we believe are sensitive, possibly controversial, and require your guidance.

Electrostatic Copy Made
for Preservation Purposes

THE WHITE HOUSE
WASHINGTON

11/4/77

Mr. President:

FYI, the memo was circulated
for comment to: Eizenstat,
Jordan, Watson, Schlesinger,
Press, Powell, McIntyre and
the Vice President.)

Stu has asked to have until
next Wednesday to comment
on the memo, and Warren
has agreed to this timing.

Rick

*Rick - if
excessive - give
sensitive - it
never seen - it
yet -
J*

**Electrostatic Copy Made
for Preservation Purposes**

THE WHITE HOUSE
WASHINGTON

6822

November 7, 1977

CONFIDENTIAL/GDSACTION

MEMORANDUM FOR: THE PRESIDENT

FROM: ZBIGNIEW BRZEZINSKI *ZB*

SUBJECT: Your Meeting with Golda Meir,
November 8, 1977, 10:30 a.m.

The main purpose of your meeting with Mrs. Meir is to convince her of your continuing support for Israel's security, as well as your determination to get peace negotiations started. Mrs. Meir continues to have great moral authority in Israel, and if she comes away from her talk with you believing in your good intentions, she can help to calm anxieties both in Israel and here. At the same time, she should be under no illusion that we are serious about Geneva and peace negotiations.

Mrs. Meir is capable of taking a very hard-line position, especially on the question of the Palestinians. Along with other members of the Labor Party, she has been attacking Prime Minister Begin for being too accommodating to our views. Foreign Minister Dayan is concerned about her criticism, and you might want to make the point that you hope that Israel's ability to enter negotiations and to pursue them with flexibility is not lost through partisan politics within Israel.

I suggest you make the following points:

- Support for Israel's security remains strong; fundamental to our policy.
- Indications from Arabs, especially Egypt, that they are ready for serious negotiations. Importance of Geneva.

Subject to GDS of E. O. 11652,
Automatically Downgraded at
Two-Year Intervals and
Declassified on December 31, 1983.

CONFIDENTIAL/GDS~~CONFIDENTIAL~~*Jy 5/11/92*

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~/GDS

- 2 -

--No imposed settlement. No intention of allowing Soviets to play major role.

--Palestinian question must be solved, but not at Israel's expense, and not by creating a fully independent Palestinian state which could be source of future tension and instability.

--Need for flexibility and restraint as negotiations begin. Hope Mrs. Meir can help calm some of fears that seem to exist in Israel. Difficult period ahead will be made worse if no sense of trust between US and Israel.

You can anticipate considerable media interest in your meeting with Mrs. Meir, and she is likely to tell the press virtually everything of substance that is said in your talks, unless you specifically request that she keep some points in confidence.

A State Department background paper is at Tab A, and a biographical sketch of Mrs. Meir can be found at Tab B.

~~CONFIDENTIAL~~/GDS

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

THE PRESIDENT'S MEETING WITH GOLDA MEIR

I. PURPOSE

Mrs. Meir has come to the United States principally to attend the Broadway opening of the biographical play "Golda," starring Anne Bancroft. While she is here she will probably engage in some fund-raising activities for UJA or Israel Bonds, but the visit is essentially a private one. Her meeting with you is in the nature of a courtesy call.

II. BACKGROUND

Since her retirement as Prime Minister in 1974, and particularly since the advent of the Begin Government, Mrs. Meir has not been active in general Israeli politics, although she has remained a powerful figure within the Labor Party. She sided strongly with Yitzhak Rabin in his struggle with Shimon Peres for the Labor Party leadership and has kept a fairly low profile since Rabin stepped down. In recent weeks she has been highly critical of the Begin government's foreign policy. Never a dove, in the comfort of the Opposition she has become in some respects more hawkish than Begin, accusing him publicly of yielding too much on the subject of Palestinian representation at Geneva without putting up a fight. A biographic sketch of Mrs. Meir is attached.

III. CURRENT ISRAELI POLITICAL SITUATION

With the cooptation of Yigael Yadin's Democratic Movement (DMC) into the coalition, Begin has succeeded in achieving a significant widening of the government's Knesset base (from 63 to 78 out of 120 seats). Begin's success is all the more useful to him because Yadin basically accepted Begin's terms, despite having turned them down previously.

Over the short term, the admission of the DMC will:

- reduce the leverage of the ultra-Orthodox Agudat Israel Party;

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- improve somewhat Begin's room for maneuver vis-a-vis Gush Emunim pressure on the settlements issue;
- improve Begin's bargaining position vis-a-vis the National Religious Party.

Over the longer term, however, Yadin may find himself locked into support of Begin's foreign policy positions. The DMC decision to accept Begin's terms, taken after months of agonizing intra-party debate, derived from:

- Yadin's fear that a long period of powerlessness in the Opposition would split the party and result in electoral disaster;
- the ambitions of leading DMC figures;
- genuine concern over the worsening of U.S.-Israeli relations, generating both a desire to influence Israeli policy at a crucial juncture and a wish to demonstrate to the U.S. Israel's determination to resist U.S. pressure for unacceptable concessions;
- Yadin's desire to position himself for a crack at the succession in the next government, should Begin's health, the status of which is currently unclear, make it impossible for him to continue in office.

A combination of developments since the May 17 election have left the Labor Party in shambles. Most significant among these have been:

- the unprecedented magnitude of Labor's electoral defeat;
- the astuteness of Begin's political maneuvers, which have established the Likud-dominated government firmly and have accentuated the demoralization within Labor;
- growing divisiveness within the Labor Alignment.

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Golda MEIR
(Phonetic: mayEER)

ISRAEL

Former Prime Minister

Addressed as: Mrs. Meir

Golda Meir, who was Prime Minister from March 1969 until May 1974, remains one of Israel's most prominent personalities in retirement. Now 79, she generally avoids public statements on sensitive issues but continues to be influential in the Israel Labor Party. She believes that Israel must be prepared to stand firm--that it is "too small to bow to pressures."



An outstanding organizer, a decisive leader and a skillful propagandist, Mrs. Meir is a tough-minded and able representative of her country. She can be friendly, tactful and charming or stubborn and blunt.

Born in Russia, the former Golda Mabovitz grew up in Milwaukee and went to Palestine in 1921. Active in labor affairs, she was secretary general of Histadrut by 1940. Later, she served as head of the Political Department of the Jewish Agency, Minister to Moscow (1948), Minister of Labor, and Foreign Minister (1956-66).

Widowed in 1951, after over 20 years of separation from her husband, Mrs. Meir has a daughter and a son. She suffers from various ailments and underwent two cataract operations in 1975. Mrs. Meir has little patience with protocol and finds it irksome to dress for formal occasions. She has no hobbies; for relaxation she enjoys cooking, baking and housekeeping. Her autobiography, "My Life," was published in late 1975. She speaks fluent English.

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